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## EXECUTIVE SUMMARY

This report has been prepared in response to the legislative requirements of Senate Bill 1082 (Calderon, Ch. 418, Statutes of 1993) which directed the California Environmental Protection Agency (Cal/EPA) to institute “quality government programs” within the Agency and its Boards and Departments and annually report on the status of accomplishments.

Quality Management is a philosophy for organizational change and continuous improvement. Three fundamentals predominate the concepts:

- FOCUS ON THE CUSTOMER, INTERNAL AND EXTERNAL: recognizing the importance of customer identification, feedback, and service.
- LONG-TERM COMMITMENT AND TOP MANAGEMENT SUPPORT: understanding that quality implementation does not occur overnight and requires a strong commitment from leadership and staff throughout the organization.
- CONTINUOUS ANALYSIS OF WORK PROCESSES AND ATTENTION TO THE WAY WORK GETS DONE: recognizing the fact that work processes are at the heart of the organization and that staff are expected to continually assess and improve the work that is done.

The implementation of quality management principles and practices within Cal/EPA has been an evolutionary process. The initial focus of Cal/EPA’s “Quality Improvement Partnership” was building the foundation to support successful start-up: hiring qualified staff members to guide the effort, developing an implementation roadmap, developing a fundamental training curriculum, focusing on the skills/behaviors required by leadership to support the effort, and team infrastructure.

At present, our focus has turned to a broader interpretation of the legislative mandate to encompass the fuller spectrum of *organizational performance*, based in part upon the Malcolm Baldrige National Quality Award Criteria. This movement is a major step in the sophistication of Cal/EPA’s Quality Improvement Partnership. This report is organized using the seven Baldrige categories for organizational performance: Leadership, Strategic Planning, Customer Focus, Information and Analysis, Human Resource Focus, Process Management, and Results.

Cal/EPA’s Quality Improvement Partnership has been implemented within the Agency using a variety of approaches, based on the Board or Department’s culture, structure, and needs. We have included a separate report per Board and Department highlighting activities and accomplishments to date.

For the Agency as a whole, we summarize below the accomplishments of the Quality Improvement Partnership and provide a status of organizational improvements related to our quality management implementation.

## Quality Improvement Partnership Accomplishments

- **Quality Implementation Plans:** In both 1995 and 1998, Cal/EPA developed a specific roadmap for quality management implementation. Formulated over numerous months through a consensus approach, these plans have prioritized goals, objectives, and activities for the organization. Not unlike a strategic plan, our implementation plans have focused our efforts and set a common direction.
- **Quality Improvement Partnership Advisory Group:** Since 1995, Cal/EPA's leadership team has met quarterly with our external advisory group, representatives of both the public and private sector – all knowledgeable in quality management implementation. This was a component of the SB 1082 legislation and affords our leadership the opportunity to receive feedback and gain insight from external sources.
- **Facilitation, Infrastructure, and Support:** A strong support system for team success was created and implemented, including charters, sponsors, defined roles, facilitation, and a prescribed process improvement methodology.
- **Quality Teams:** Quality management implementation commonly occurs through the formation of teams. Cal/EPA deployed more than 40 quality improvement teams since 1995. Improvements include process simplification, processing timeframe reductions, procedure documentation, increased partnerships, and specific programmatic recommendations. A sampling of teams and their accomplishments are listed in this report by Board and Department.
- **Training Curriculum & Deployment:** A three-component, two-day team training program was developed for all quality, and other, improvement teams encompassing basic quality management principles, effective meeting management, and team dynamics.
  - More than 400 Cal/EPA staff members have attended this two-day Quality Improvement Partnership Team Training.

In response to Cal/EPA's Regulatory Improvement Initiative, a one-day Customer Satisfaction Workshop was developed and continues to be delivered to Cal/EPA staff members.

- More than 1235 Cal/EPA staff members have attended the Customer Satisfaction Workshop. This total includes more than 80% of the Integrated Waste Management Board's staff and 760 (69%) State Water Resources Control Board and Regional Water Quality Control Board employees statewide.

In addition, this workshop was delivered to Permit Assistance Center staff statewide, and local environmental agency personnel in various California locations.

An on-going program for continuing education was initiated by "Leadership Forums" in 1995 and continues via "Speaker's Forums" for all Cal/EPA staff members.

- **Resource Materials:** A series of resource handbooks targeted for team sponsors, team leaders, team facilitators, and teams were created and disseminated to support team success. We have received numerous requests from outside Cal/EPA for these resource guides and have circulated them broadly.
- **"Quality Management: A Model For Local Agencies":** Cal/EPA's Quality Improvement Coordinators created a comprehensive guide for quality management start-up and implementation for local environmental regulatory agencies. This product was developed in response to the provisions of SB 1082. Disseminated to hundreds of local entities, feedback has been very positive and circulation has expanded beyond the original target audience.

## Organizational Improvements

- **Increased Customer Input:** The awareness that customer input is critical and desired is paramount within Cal/EPA. Through customer service surveys, on-line feedback directly to our organizations, workshops, forums, strategic planning efforts, multi-organizational teams, and other means, customer and stakeholder feedback is encouraged and is being incorporated into the manner in which Cal/EPA operates.
- **Customer Service Survey Results:** Feedback from customers and stakeholders is routinely received via our agency-wide customer service surveys. In Fiscal Year 1996/97, 2,627 surveys were received with 94% approval rating for the level of service. In Fiscal Year 1997/98, 3,139 surveys were received with a 93% approval rating. For our most recent quarter (7/1/98 – 9/30/98), the approval rating is 97%. Cal/EPA makes a concerted effort to follow-up on exceptional service provided by our staff as well as customer complaints and problems.

- **Customer Focus:** In addition to receiving customer feedback, Cal/EPA has been aggressive in its efforts to meet or exceed customer expectations. Through the 1995 Regulatory Improvement Initiative, establishment of Permit Assistance Centers, on-line permitting assistance via CalGOLD, numerous issue-specific task forces, Internet access and electronic mail, Ombudsman Forums, and other venues, Cal/EPA is mindful that customer focus is essential in our daily operations.
- **Increased Communication Within Cal/EPA:** Through the formal quality improvement team and task force structure, purposeful mix of staff in various training classes, cross-media meetings, "Speaker's Forum" events, electronic mail, and Internet capabilities, there has been marked increase in the level of communication within Cal/EPA's Boards and Departments.
- **Strategic Planning:** Cal/EPA has developed an agency strategic plan and supporting Board and Department strategic plans. The strategic planning process has assisted Cal/EPA in crystallizing common goals, priorities, and actions. Outputs of our strategic planning process are individualized annual workplans, which detail resource commitments, timeframes, and levels of accomplishment.
- **Managing Workload:** Cal/EPA is addressing the complexities of internal work processes on an on-going basis through the use of quality improvement teams, task forces, and other group efforts. In addition, the continued focus on performance measures and on-going tracking of workload assists Cal/EPA in identifying areas for improvement.
- **A Focus on Employees:** Cal/EPA believes there is a direct relationship between effective, responsive programs and capable, well-trained staff who are positively recognized for their achievements. Cal/EPA is investing in its staff through increased training opportunities, improved equipment, recognition activities, and opportunities to discuss issues with agency leadership.

## Future Plans

In Cal/EPA's first three years of quality management implementation, focus has been on building a strong foundation: team training and support system, leadership responsibility, continuous learning, and utilization of cross-functional and cross-organizational teams to address critical issues. Through these activities, Cal/EPA has begun the initial steps to change the organizational culture and behavior, a long-term, developmental process.

Cal/EPA's Quality Improvement Partnership is at a crossroads. We must maintain the current level of activities and support functions *and* strategize the

next steps for quality implementation agency-wide. Cal/EPA's Quality Improvement Coordinators have identified several areas of focus in future years:

- **Imbed Quality Management Practices/Principles Into The Organization:** This long-term goal will be a major achievement. This is at the core of integrating the concepts of quality management into Cal/EPA's daily work practices and behavior. Initial work has begun as we examine how and where we deliver products and services, personnel requirements, and the Malcolm Baldrige criteria as a model of organizational excellence.
- **Resource Expansion:** It is critical that additional internal resources be identified to provide the necessary level of support to teams, supervisors, managers, and executive leadership as the Quality Improvement Partnership matures.
- **Strengthen Relationships With Internal and External Customers and Suppliers:** Cal/EPA's Quality Improvement Partnership will be examining methods to strengthen relationships, a key concept in quality management implementation.
- **Refine Performance Measures:** Quantification of results and improvements is a critical area for focus.
- **Customer Satisfaction Reinforcement:** Cal/EPA's Quality Improvement Partnership will be developing methods to continually reinforce the concepts and tools conveyed in the Customer Satisfaction Workshop.

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## INTRODUCTION

Senate Bill 1082 (Calderon, Ch. 418, Statutes of 1993) directed the California Environmental Protection Agency (Cal/EPA) to institute “quality government programs” within the Agency and its Boards and Departments on or before December 31, 1997. Cal/EPA’s legislatively-established quality management effort requires:

- Improvement in the quality, efficiency, and cost-effectiveness of programs;
- Measurement of results;
- An employee/customer feedback system;
- Expedited decision-making
- Creation of an external advisory board; and
- Development of a model quality management program for local environmental regulatory agencies.

Cal/EPA must report the extent to which we have attained our performance objectives, and on our continuous improvement efforts, to the Governor and Legislature annually, beginning December 31, 1998.

Cal/EPA has been actively involved in quality management implementation for several years. Our initial implementation plan, “Achieving Cal/EPA’s Vision – Through Quality”, was created in February 1995 and guided Cal/EPA’s efforts for over two years. In May 1998 an updated implementation plan set the direction for future years of Cal/EPA’s Quality Improvement Partnership.

This report summarizes Cal/EPA’s progress for the Partnership and within each Board and Department.

### Quality Management: An Overview

Quality Management is a philosophy for organizational change and continuous improvement. Inherent in its concepts are three fundamentals. These fundamentals apply to both private and public environments.

1. Focus on the customer, internal and external.
2. Long-term commitment and top management support.
3. Continuous analysis of work processes and attention to the way work gets done.

Implemented effectively, quality management helps an organization to:

- Meet or exceed customers' expectations;
- Accomplish goals more successfully;
- Maximize and energize staff;
- Enhance productivity;
- Focus on doing the most critical work;
- Build stronger relationships, both internally & externally; and
- Improve the work environment.

Organizational change is a slow, evolutionary process. Private sector organizations considered forerunners of quality management – Xerox Corporation, IBM, Hewlett-Packard, Motorola, and Ford Motor Company, to name just a few – have been involved in quality improvement activities for ten to fifteen years. Public sector organizations, like Cal/EPA, are considered in the infancy of implementation.

## Criteria

The internationally recognized Malcolm Baldrige National Quality Award developed and refined seven criteria for organizational performance. Cal/EPA is using these criteria as a template to frame its organizational improvement activities. Although our mandate is primarily focused on 'quality government programs', Cal/EPA has interpreted the intent as being broader in scope, to encompass *organizational performance*. Collectively, these criteria address critical areas for organizational improvement.

The seven criteria are:

- Customer & Market Focus – What actions are taken to determine customer requirements (expectations and needs), provide overall customer service, and respond to customer expectations?
- Strategic Planning – How does the organization set and determine strategic directions and key action plans?
- Process Management – What actions are taken to ensure process management during all aspects of delivering products and services?
- Human Resource Focus – What actions support the requirements necessary to develop and realize the work force's full potential, including what it will take to maintain an environment conducive to full participation, quality leadership, and personal and organizational growth?

- Leadership – How do senior managers provide leadership and sustain clear values, directions, performance expectations, customer focus, and a leadership system throughout the organization?
- Information & Analysis – How is data and information managed to effectively support key organizational processes and the performance measurement system?
- Business Results – What has been achieved in areas of customer satisfaction, human resources, and operational performance?

Using this model, Cal/EPA has a proven roadmap to follow. In the following pages, our Board and Department's achievements are categorized pursuant to the Baldrige criteria.

## Customer Focus

The California Environmental Protection Agency (Cal/EPA) values the input and participation of its numerous customers and stakeholders and emphasizes the importance of their involvement in agency-wide activities. Cal/EPA actively seeks customer input through a variety of means: customer service surveys, public forums and workshops, training programs, on-line Internet access to the Secretary for Environmental Protection, and issue-specific outreach. For example:

- In 1995, Cal/EPA undertook its Regulatory Improvement Initiative, a statewide series of meetings to elicit feedback from customers and stakeholders regarding regulatory reform needs. As a result, Cal/EPA has eliminated over 2,500 overlapping and redundant regulations. To date, Cal/EPA continues to implement the recommendations brought forth from this endeavor.
- In order to simplify the permitting process, Cal/EPA has established 13 permit assistance centers and an Internet site known as CalGOLD to assist individuals and businesses obtain information on permitting requirements.
- Cal/EPA formed numerous issue-specific task forces with external stakeholders and customers to address environmental permitting overlaps, statutes and regulations in such areas as metal finishing, power generation, gasoline station, and the aerospace industry.
- The *Permit Applicant's Bill of Rights*, a series of precepts for customer-focused responsiveness to permit applicants, was endorsed and encouraged within the Cal/EPA agency.



- Each of Cal/EPA's Boards, Departments, and Offices has instituted an Ombudsman function to address customer concerns and problems.

## Strategic Planning

The agency, as a whole, initiated its first strategic planning effort in 1994 and updated its initial plan in 1996 and again in 1998. Cal/EPA is committed to a strong strategic planning process to crystallize goals, formulate objectives, and develop strategies for accomplishment. As stated in its 1998 plan, Cal/EPA plans on an annual review to validate the plan's relevance and timeliness, due in part to the dynamic nature of Cal/EPA's responsibilities, roles, and customer expectations.

The 1998 Strategic Plan enumerates broad organizational goals and sets forth agency-wide objectives and strategies which are translated into specific actions at the Board, Department, and Office level.

## Process Management

Cal/EPA is cognizant that its responsibilities for environmental protection become translated by its Boards, Departments, and Offices through regulatory actions and numerous internal processes which touch both internal and external customers and stakeholders. Through the formation of quality improvement teams, task forces, and other group efforts, Cal/EPA is addressing the complexities of internal processes on an on-going basis. Team-based process improvement efforts are highlighted in subsequent sections of this legislative report.

Cal/EPA has sponsored a number of cross-organizational and agency-based teams. A sampling includes:

- **Assignment Prioritization and Tracking Team**

Mission: To improve the current system in the areas of assignment delegation, assignment prioritization, and tracking.

Accomplishments: The team created a new prototype for assignment tracking to be used within the Office of the Secretary for dissemination to the Boards, Departments, and Offices. The form is currently in use and has resulted in improved work products and decreased rework of assignments.

- **Administrative Manual Team**

Mission: To create an administrative manual that is useable and describes effective working processes.

Accomplishments: An administrative manual has been developed for the agency and has been disseminated to representatives within Cal/EPA's Boards, Departments, and Offices. It is expected that use of this manual will result in improved work products, decreased timelines, and improved internal processes.

- **Permit Consolidation Zones Pilot Program Team**

Mission: To implement the mandates of SB 1299 and develop the Permit Consolidation Zones Pilot Program within the State of California.

Accomplishments: This cross-organizational team, including Trade and Commerce Agency representatives, has fostered four permit consolidation zones in California, facilitated multi-agency, state and local agreements for each zone, developed a model guidance document for a facility compliance plan, held workshops statewide, and has been instrumental in the identification of pilot projects in each designated zone.

- **Certified Unified Program Agency (CUPA)**

The cross-organizational CUPA teams, sponsored jointly by the Office of the Secretary and Department of Toxic Substances Control, are highlighted in the Department of Toxic Substances Control's individual report.

## **Human Resource Focus**

Cal/EPA firmly believes that the strength of its programs is directly related to the effectiveness and expertise of its staff, at all levels. Cal/EPA recognizes the importance of providing staff with requisite training, equipment, and tools to perform their job responsibilities well, and in response to customer needs and expectations. Cal/EPA is also cognizant of the need for communication between staff members at all levels and management. Various examples exemplifying Cal/EPA's focus on the human side of the agency are included in subsequent Board, Department, and Office reports.

In addition, Cal/EPA recognizes the achievements of staff through a variety of means as a way to provide recognition and reinforce exemplary behavior: monthly customer service and technical certificate presentations, in-person verbal feedback, and letters of commendation.

## **Leadership**

Cal/EPA's leadership is committed to the concepts of continuous organizational improvement and demonstrates their support in a variety of ways:

- Participating in workshops and other educational venues, including those conducted by the Council For Continuous Improvement, California Council for Quality and Service, and out-service training programs sponsored by the California Department of Personnel Administration, California State University, Sacramento, and others.
- Actively attending and participating in quarterly Quality Improvement Partnership Advisory Group meetings and applying concepts and recommendations in the workplace.
- Allocating funds for Quality Improvement Partnership activities and encouraging staff to attend both technical and team-related training courses and workshops.

## Information and Analysis

Cal/EPA recognizes the importance of gathering quantitative data to demonstrate environmental improvements and process improvements. Cal/EPA publishes a series of environmental indicators, across media, to track trends in environmental quality and routinely collects data on environmental performance. Cal/EPA has also begun tracking permit processing in each Board, Department and Office and produces quarterly reports on permit processing timeliness.

In addition, all strategic plans include a sampling of performance measures, both process-related and environmentally-based.

## Measurable Results

Specific Board, Department, and Office results are included in subsequent sections of this report.

## Partnership Accomplishments

The following is a sampling of Cal/EPA's Quality Improvement Partnership activities and accomplishments from our inception. Board and Department activities and accomplishments are highlighted in individualized sections of this report.

- **Quality Implementation Plan:** In February 1995, Cal/EPA published its initial quality implementation plan, "Achieving Cal/EPA's Vision – Through Quality", a collaborative, agency-wide perspective for quality management implementation. Not unlike a strategic plan, this plan included goals, objectives, and a prioritized activity timeline. This plan guided Cal/EPA's

efforts for approximately two years. In May 1998, this initial plan was updated to reflect changing needs and opportunities and sets the direction for future years. The objectives for Cal/EPA's Quality Improvement Partnership, listed previously, are expanded in this updated plan.

- **Quality Improvement Partnership Advisory Group:** Pursuant to the provisions of SB 1082, Cal/EPA formed an external advisory group in 1995 to provide guidance to Cal/EPA's quality improvement efforts. The advisory group is comprised of representatives from both the public and private sectors, with members knowledgeable in quality management implementation and organizational performance. Meeting on a quarterly basis, the advisory group's responsibilities include offering recommendations, providing feedback, making presentations, and facilitating networking opportunities among organizations.
- **Facilitation, Infrastructure, and Support:** One of the critical factors for team-based success is a strong support system. This system includes the use of specific tools and techniques within the team environment, defined roles and responsibilities, team charters, and meeting facilitation. Cal/EPA's Quality Improvement Coordinators recommended that team efforts within Cal/EPA follow a prescribed course: an approved charter (setting forth goals, objectives, and timelines), a defined sponsor (a high-level manager who oversees the team's work), specific roles & responsibilities within the team (leader, notetaker, timekeeper), the creation of meeting minutes, a meeting facilitator, and a prescribed process methodology (a step-by-step course to move a team from start to finish). Cal/EPA's Quality Improvement Coordinators provide an array of services to upper management, team sponsors, team leaders, and teams including consultation and facilitation on an on-going basis. Recognizing the importance of facilitation support for teams, Cal/EPA's Boards, Departments, and Office have trained a cadre of staff members to provide facilitation services.
- **Quality Teams:** More than 40 quality improvement teams have been deployed throughout the organization.
- **Training Curriculum & Deployment:** A team's success is also predicated upon the degree of knowledge on how to work in a team-based environment. Cal/EPA's Quality Improvement Coordinators developed a three-component training program specifically for teams. Spanning two days, Cal/EPA's teams are offered: "Quality Management: An Introduction", "Effective Meeting Management", and "Introduction To Team Concepts". These courses were developed in-house, and are taught by Cal/EPA's Quality Improvement Coordinators on a regular basis.

- More than 400 Cal/EPA staff members have attended this two-day Quality Improvement Partnership Team Training.

In addition to team training, described above, Cal/EPA's Quality Improvement Coordinators developed a basic customer service workshop for all Cal/EPA staff members in response to the needs expressed during Cal/EPA's Regulatory Improvement Initiative. Entitled "Customer Satisfaction: Given a Choice Would Our Customers Switch?", this one-day workshop addresses the concepts of customer service and customer satisfaction, problem solving techniques, and the effects of "burn-out" on customer service. Cal/EPA's Quality Improvement Coordinators and numerous staff members drawn from the Boards, Departments, and Office lead this workshop. At the outset, the workshop was provided twice monthly to all staff members; currently, the workshop is provided on a monthly basis.

The State Water Quality Control Board and Regional Boards chose to provide its employees customized customer service workshops, based on Cal/EPA's curriculum, but tailored to the Boards' customer issues. A total of 760 Board employees (69% of all State and Regional Board staff) have participated in this training program. At the Integrated Waste Management Board, over 80% of its staff have attended this workshop.

- More than 1235 Cal/EPA staff members, in total, have attended the Customer Satisfaction Workshop. In addition, this workshop was delivered to Permit Assistance Center staff statewide, and local environmental agency personnel in various California locations.

In 1995, Cal/EPA's leadership – within the Agency and Boards and Departments – participated in a Zenger-Miller-based workshop entitled "Executive Workshop For Quality Best Practices". This workshop focused on leadership requirements for successful quality implementation, the development of a common quality message to Cal/EPA staff, and organizational core values underlying the quality management initiative.

In 1995, Cal/EPA's Quality Improvement Coordinators formulated "Leadership Forums", a quarterly series of two-hour meetings focused on continuing education in the area of quality management. Designed for Cal/EPA's leadership and management teams, Leadership Forum venues included outside speakers and panel discussions on topics including implementation, training, customer service, and leadership responsibilities.

Prior to the initiation of Cal/EPA's Leadership Forums, a two-hour workshop entitled "The Role of Managers and Sponsors In A Team Environment" was provided by Cal/EPA's Quality Improvement Coordinators to all Board, Department and Office management teams. This curriculum focused on role

definition, the distinctions between types of teams, and responsibilities necessary for team success.

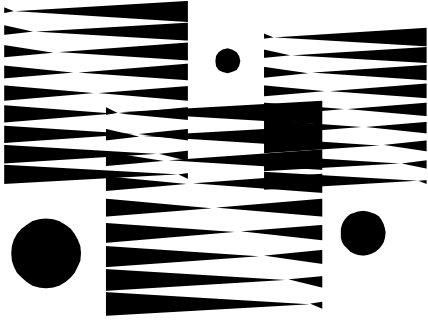
- **Resource Materials:** In relationship to the new roles and responsibilities required for Cal/EPA staff in a team environment, Cal/EPA's Quality Improvement Coordinators created several resource guides: "Sponsor's Guide to Quality Teams", "Team Leader's Handbook", "Facilitator's Handbook", and "Guide To Performance Measurement for Quality Improvement Teams". These resource materials have been instrumental in assisting Cal/EPA staff/teams to perform their responsibilities effectively.
- **"Quality Management: A Model For Local Agencies":** In response to the mandates of SB 1082, Cal/EPA's Quality Improvement Coordinators published "Quality Management: A Model For Local Agencies" in June 1998. This comprehensive resource guide for quality management start-up and implementation was developed by Cal/EPA's Quality Improvement Coordinators and disseminated to hundreds of local environmental regulatory agencies charged with "implementing air quality, water quality, toxics, solid waste and hazardous waste laws and regulations". Topics include considerations at start-up, key elements in a quality plan, getting focused on the customer, process management, educational needs, and "quality" resources. Response from this model plan has been overwhelmingly positive, resulting in the dissemination of the model plan beyond the original target audience.
- **Strategic Planning Support:** Quality management implementation activities should have a direct linkage to the strategic goals, objectives, and strategies of the organization. Cal/EPA has made a concerted effort to incorporate its quality improvement goals into the fabric of its strategic plan, at the agency and at the Board, Department, and Office levels.

## Future Plans

Cal/EPA's Quality Improvement Partnership is committed to fostering both the long-and short-term goals for organizational excellence and improved performance. In our first three years of implementation, we have focused on the development of a strong support system for team (and individual) achievement, fundamental core curriculum for all team members, and the utilization of cross-functional and cross-organizational teams to address critical issues. Building this foundation has been essential.

Looking to the future, we recognize a need to **strategize our next steps for quality management implementation agency-wide**. In addition to **maintaining the current level of activities and support functions**, we envision our future plans to involve the following:

- **Imbed Quality Management Practices/Principles Into The Organization:** This is at the core of institutionalizing the concepts of quality management in our everyday work and values. Difficult to achieve and certainly a long-term (multi-year) goal, we have initiated our research and have begun working with internal customers and leadership to begin to address such areas as organizational structure, personnel requirements, recognition practices, and organizational performance modeled after the Malcolm Baldrige criteria.
- **Resource Expansion:** As quality management implementation expands, it is critical that additional internal resources be identified to provide the commensurate level of support to new teams, management, and staff members. We are looking at several strategies to more actively involve Cal/EPA's staff in direct activities related to the Quality Improvement Partnership.
- **Strengthen Relationships With Internal & External Customers and Suppliers:** A fundamental precept of quality management is the understanding that customers and suppliers, internal and external, are critical partners in the quest for organizational improvement. Cal/EPA's Quality Improvement Partnership will be looking at ways to strengthen these relationships, including the on-going involvement of customers and stakeholders in the development of regulations and policy direction.
- **Refining Performance Measures:** Being able to accurately quantify the results of a team or an organization's work is essential in gauging the degree of organizational improvement. Cal/EPA will endeavor to apply the concepts of continuous improvement to its strategic planning performance measures and team performance measures in the next fiscal year.
- **Reinforcement Strategies For Customer Satisfaction:** Along with the provision of customer satisfaction training, it is important to continually reinforce and apply principles and practices in our everyday work. The Quality Improvement Partnership will be developing methods to keep in the forefront customer service and customer satisfaction concepts/methods.



# **CAL/EPA'S BOARD AND DEPARTMENT REPORTS**



# California Environmental Protection Agency

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<b>Mission</b>	Improving environmental quality in order to protect public health, the welfare of our citizens, and California's natural resources.
<b>Vision</b>	<p><i>A CLEANER, SAFER TOMORROW FOR CALIFORNIA'S ENVIRONMENT</i></p> <ul style="list-style-type: none"><li>▪ California's citizens will enjoy a healthy environment and economy.</li><li>▪ Cutting-edge technological solutions for environmental protection will be provided to the State, the nation, and foreign countries.</li><li>▪ Continuous improvements in effectiveness and efficiency will be sought, achieved, and recognized.</li><li>▪ There will be strict and consistent enforcement of laws and regulations for environmental protection with the utilization of a strong, scientific base to improve decision-making.</li></ul>
<b>Overview</b>	<p>The California Environmental Protection Agency (Cal/EPA) was created in July 1991. The formation Cal/EPA unified the State's environmental authority under a single, accountable Cabinet-level agency to centralize accountability for the protection of the environment, streamline the regulatory permitting processes, ensure credible science, and coordinate enforcement.</p> <p>Cal/EPA consists of six Boards, Departments, and Offices: Air Resources Board, Integrated Waste Management Board, Department of Pesticide Regulation, State Water Resources Control Board (and nine Regional Water Quality Control Boards), Department of Toxic Substances Control, and Office of Environmental Health Hazard Assessment. Overseeing and coordinating agency-wide programs and initiatives is Cal/EPA's Office of the Secretary. The Secretary for Environmental Protection, a member of the Governor's cabinet, manages the State's environmental protection programs and oversees the operations of the six constituent Boards, Departments, and Offices.</p>
<b>Locations</b>	Cal/EPA is headquartered in Sacramento, California, with various Board, Department, and Office locations geographically dispersed within the State of California.
<b>Staffing</b>	Cal/EPA is comprised of approximately 4,300 employees statewide.

## Air Resources Board

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- Mission** To promote and protect public health, welfare and ecological resources through the effective and efficient reduction of air pollutants while recognizing and considering the effects on the economy of the State.
- Vision** To achieve healthful, clean air for all Californians through a partnership approach to air quality management.
- Overview** ARB oversees all air pollution control efforts in California, including programs and activities of 35 local air pollution control districts. The Board has the authority and responsibility of ensuring that federal and state health-based air quality standards are achieved through a variety of controls for stationary, mobile, and small “area” sources of pollution. These include: factories, power plants, cars, trucks, buses, off-road vehicles, consumer products, lawn and garden equipment, and other sources of air pollutant emissions.

ARB is organized into the following divisions:

- **Office of Legislative and Intergovernmental Affairs**  
The Legislative Office serves as the principal resource on air quality-related issues for Cal/EPA, the Governor’s Office, and the Legislature. The Intergovernmental Affairs Office assists the Legislative Office on legislation that affects the air districts and local governments.
- **Office of the Ombudsman**  
The Office of the Ombudsman provides assistance to members of the public, the business community, and other governmental entities that have business with the ARB.
- **Office of Board Administration**
- **Executive Office**  
The Executive Office includes the Board’s Executive Officer, three Deputy Executive Officers, and the Office of Legal Affairs. The Executive Office directs the programs of the ARB and manages and oversees the operation of the Divisions and provides legal services to the Board and staff.

- **Office of Communications**  
The Office of Communications is responsible for promoting the Board's programs for air quality improvement through public information, education, stakeholder outreach, speakers bureaus, publications, and audio-visual tools.
- **Administrative Services Division**  
The Administrative Services staff provides support in the areas of accounting and grants management, budgeting, business services, contract administration, equal employment opportunity, labor relations, management analysis, personnel management, safety, and training.
- **Compliance Division**  
Compliance staff investigates complaints against polluters, assists local districts in enforcing emission requirements against major stationary sources and documents violation for prosecution.
- **Monitoring and Laboratory Division**  
Monitoring and Laboratory staff monitor the concentrations of air pollutants throughout the State. The data collected is used to determine compliance with air quality standards, to develop and evaluate air pollution control strategies, and to support air quality research projects.
- **Mobile Source Operations Division**  
The Mobile Source Operations Division implements and manages regulatory operations of the California motor vehicle emissions control program.
- **Mobile Source Control Division**  
The Mobile Sources Control Division develops emissions standards and test procedures for all off and on road sources.
- **Planning and Technical Support Division**  
The Planning and Technical Support Division coordinates the development of the State Implementation Plan and provides assistance to other ARB divisions and Air Pollution Control Districts in the technical aspects of air pollution control programs.
- **Research Division**  
Research staff provides the Board with scientific and technical information necessary to formulate Statewide regulations and standards.

- **Stationary Source Division**

Stationary Source Division manages programs related to stationary sources permitting and control of criteria and toxic air pollutant emissions from motor vehicle fuels, stationary sources and consumer products.

**Locations** ARB offices are located in Sacramento and El Monte, California.

**Staffing** ARB has approximately 1,000 employees, a little over half of which are in environmental science classifications such as Air Pollution Specialist, Meteorologist, etc.

## Air Resources Board

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### Customer Focus

- **Stakeholder Themes included in ARB's Strategic Plan:** In FY 96-97, ARB held 12 "visioning" forums throughout California, providing air quality stakeholders the opportunity to express their views on the strengths and weaknesses of California's air quality management system. The forums resulted in the following "Key Themes":
  - Carry forward a clear, strong, science-based air program;
  - Reduce regulatory complexity and cost,
  - Strengthen public education and stakeholders participation; and
  - Achieve proportionate emission reductions.

These key themes were incorporated into ARB's 1997 Strategic Plan. In the past year, the ARB has continued to work with its stakeholders and plans to conduct additional follow-up forums in the future.

- **Satisfaction With Regulatory Process:** ARB's process for developing and adopting new regulations will be assessed with a new survey of stakeholders prepared by ARB's Ombudsman's Office in coordination with ARB's Quality Improvement Coordinator (QIC), and the Divisions responsible for regulatory development. The survey will evaluate each stage of the process beginning with initial focus groups, technical workshops, draft documents, and the final Board hearing and adoption. The survey process was implemented beginning in September 1998.
- **Regulatory Improvement Initiative Continues:** Cal/EPA's Regulatory Improvement Initiative, begun with a series of stakeholder meetings in 1995, continues to be implemented through ARB actions. ARB's continued joint effort with the air districts to streamline air permits is one example. Another example is ARB's exemption of lower risk facilities from the Hot Spots Program and continued efforts to streamline reporting requirements for remaining facilities in the Hot Spots Program.
- **Cal/EPA Customer Service Survey:** Surveys are distributed to customers after a service has been provided to determine the level of satisfaction. An annual report of the survey results is compiled and a process has been developed to deal with problems and to make improvements.

- **Rice Straw Burning Reduction Initiatives:** In 1997, ARB brought together rice growers, environmental groups, technology development entrepreneurs, members of the financial community, legislative staff and air quality managers to identify strategies to reduce rice straw burning in the Sacramento Valley. The 1997 forums lead to the creation of the Rice Straw Demonstration Project Fund (SB 318), which authorized \$5 million dollars, over two years, for the commercialization of technologies to divert rice straw from burning. The first grants will go to three projects: a project to produce particle board from rice straw; a project to develop the infrastructure for fast harvesting, compressing and exporting rice straw for use as cattle feed; and a project to convert rice straw through biotechnology to a high value animal feed. The Rice Straw Alternatives Advisory Committee composed of public and private sector representatives provides input to this funding program.
- **Particulate Matter Forums:** In the last year, ARB hosted several statewide and regional forums to provide information on particle pollution, to discuss ARB's initial thinking on how to address the new federal PM2.5 ambient air quality standard, and to obtain air district input as well as stakeholder input on the process. The development of plans to address the PM2.5 standards will take several years. ARB is developing a five-year technical workplan to outline the steps to be taken, based on the feedback received at these forums.
- **ARB Web Site:** In the last year, ARB's internet web site has expanded significantly its function of providing up-to-the-minute information on ARB's programs. Board meeting agendas and transcripts, real-time air quality data, regulatory development activity, and information on other program activities are now available. Numerous reports and software are available through the web site. ARB's interdivisional "CARBIS" Steering Committee meets regularly to make additions and improvements to the web site.
- **Business Assistance:** ARB's Business Assistance program helps businesses find the most efficient and effective ways to comply with air pollution regulations. Services include a comprehensive web site, a toll-free business assistance help-line, training programs and business assistance publications. These services are coordinated through ARB's Ombudsman's Office.

## Strategic Planning

- **ARB's 1997 Strategic Plan:** In 1997, ARB updated its Strategic Plan to address the new requirements of the Department of Finance. The Strategic Plan has five goals: 1) Continuously improve our understanding of the nature and causes of California's air quality problems; 2) Increase the effectiveness of adopted air pollution control strategies, and integrate these strategies with

other regulatory processes; 3) Promote the development of new technologies, and adopt control strategies to attain air quality standards and reduce public exposure to air toxics; 4) Strengthen public education, stakeholder outreach, and quality improvement activities; 5) Assess the economic impacts of air quality programs, and assist businesses in meeting air quality objectives.

- **Implementing Strategies in ARB's 1994 Ozone SIP:** One of the major objectives of ARB's Strategic Plan is to meet ARB's 1994 State Implementation Plan (SIP) Commitments. With the measures scheduled to go before the Board by the end of 1998, ARB will have adopted eight new mobile source control measures and forged agreements for four new national mobile source emission standards.
- **Diesel identified as a Toxic Air Contaminant:** An important public health goal in ARB's strategic plan is to reduce public exposure to air toxins. After a multi-year effort, ARB completed the process of listing particulate emissions from diesel-fueled engines as a toxic air contaminant. The extensive scientific review and public outreach effort resulted in broad consensus on the final proposal approved by the Board in August 1998.

ARB will now go forward with the process of defining a control strategy to minimize public exposure to particulate emissions from diesel-fueled engines. This will augment ARB's ongoing work to reduce emissions of airborne particulates and nitrogen oxides that contribute to both ozone and particle pollution. A technical advisory committee of affected stakeholders including business, industry, health and environmental interests will be appointed to assist in this effort.

## Process Management

- **Ombudsman's Monthly Report to the Board:** The Ombudsman reports on the sufficiency of the stakeholder process for each regulatory item that comes before the Board. The report includes an evaluation of the outreach and involvement of stakeholders in developing the regulatory proposal. The Ombudsman is available as a resource to ARB staff in their efforts to include stakeholders in workshops and meetings prior to bringing proposals to the Board. In addition, the Ombudsman supports the efforts of stakeholders to participate in the regulatory process.
- **ARB's Six Improvement Teams:** In June 1997, ARB's Executive Officer invited ARB staff to participate on high-priority project teams. Each team was given a "charter" which outlined the team's mission, the expected duration of the project, the team's sponsor (the division or office needing the work done), the goals of the project, the kind of staff sought for team membership and the

products or deliverables expected to result from the team's efforts. Staff were given the opportunity to apply to become part of one of the teams with allocated time to participate. Six teams were formed:

- Air Quality Data and Emission Sources Reconciliation Team
- District Rules Assessment Team
- SIP Tracking Team
- Reactivity Team
- Enforcement Initiative Team
- ARB Improvement Team

A description of each team's mission and the results achieved thus far is attached.

## Human Resources Focus

- **Virtual Brown Bag:** Lunchtime "brown bag" sessions are held regularly for all staff by ARB Executive Officer Mike Kenny to informally discuss issues of concern. In addition, Mr. Kenny has established a "Virtual Brown Bag", where employees are encouraged to submit ideas and suggestions via the intranet for improving ARB. He responds to each question or comment. The Virtual Brown Bag can be accessed via Netscape Communicator.
- **Air Academy Training:** ARB's Air Academy Training program was custom-designed by and for ARB staff and is held twice a year. Employees learn about the purpose and functional roles of the offices, divisions, and units within ARB, and how they work together to achieve ARB's overall mission. Sessions are presented by ARB staff. Participants are encouraged to share their views and give input on ideas for improvement of ARB's processes.
- **Cross Functional Teams:** ARB has increasingly used interdivisional teams to investigate issues and identify solutions to problems. One such team, formed approximately one year ago is the "ARB Improvement Team". The team's mission is "to identify ways to enhance and supplement the Air Resources Board". The team initially surveyed employees to assist in identifying areas for improvement. Recommendations include: enhance and improve ARB's outreach and enforcement efforts; continue with interdivisional teams; and keep sight of ARB's mission to protect public health. The team findings were presented to ARB's executive staff in July 1998 and received a positive response from the management team.
- **Customer Satisfaction and Quality Team Training:** Approximately 100 ARB employees have participated in the Cal/EPA's Customer Satisfaction Workshops, learning the importance of obtaining ongoing feedback from internal as well as external customers to support continuously improved service. ARB's quality teams have participated in the two-day Quality Team



Training that includes a basic introduction to quality tools and techniques, team concepts, and effective meeting management.

## Leadership and Partnerships

- **Quality Leadership Training:** ARB leaders continue to attend the Leadership Forum Series, where speakers from the public and private sector present practical applications of quality concepts. The Quarterly Quality Improvement Partnership Advisory Group meetings provide another avenue for ARB senior management to explore and exchange ideas regarding quality implementation.
- **Research Partnerships:** In the last year, ARB expanded the research planning process by soliciting input from the public and interested stakeholders. This has generated new research and enabled the specific concerns of the public and stakeholders to be addressed at the first stage of the process – when research proposals are defined. The increased public participation in the research planning process has been well received.
- **Regional Air Quality Study in the San Joaquin Valley:** ARB continues to participate in the California Regional PM10/PM2.5 Air Quality Study. The study was initiated in 1991 to address PM10 and PM2.5 problems in central California. The objectives of the study are: 1) provide an improved understanding of emissions, particulate matter composition, and dynamic atmospheric processes; 2) establish a strong scientific foundation for informed decision-making; and 3) develop methods to identify efficient and cost-effective emission control strategies. The study is a multi-year effort of planning, emissions development, air quality and meteorological monitoring, atmospheric simulation modeling, and data analysis. The budget for the study is \$27.5 million, with funding provided through a cooperative partnership between the public and private sector. Study contributors include federal, state and local agencies, as well as a number of California industries.
- **California Bicycle Summit:** On March 5-6, 1998, ARB convened the first California Bicycle Summit to identify ways to increase the use of bicycles for local transportation. The Summit brought together representatives of local and state government, public safety organizations, transportation agencies, businesses, and advocacy organizations. The multi-agency project recognized the many benefits to Californians from increased bicycling, including reduced air pollution, improved health, transportation and recreation. The Summit's strategic objectives and action plans focused on education, funding, land use, and partnerships.
- **1997 Statewide Clean Air Media Campaign:** The public/private partnership that funded this statewide newspaper and radio campaign to celebrate Clean

Air Progress in California included several air districts (South Coast, Sacramento, Bay Area and San Luis Obispo County), and the Department of Consumer Affairs, as well as ARCO, Honda, Southern California Edison, Ford, Toyota, and the L.A. Times. ARB contributed \$25,000 of the \$2 million campaign. The goal of the campaign was to increase public awareness of California's clean air progress as well as the need to do more in order to meet health-based air quality standards.

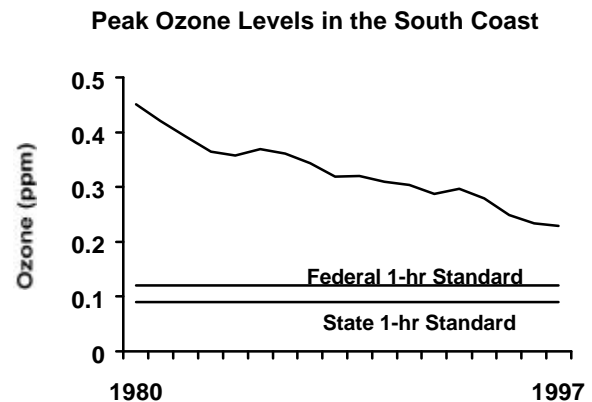
## Information and Analysis

- **Public Health Protection:** Long-term air quality trends show significant progress in meeting the public health goals embodied in air quality standards.

Fifty-six out of 58 counties in California now meet the national ambient air quality standard for carbon monoxide. In 1997, the United States Environmental Protection Agency approved ARB's request to redesignate ten areas in California from "nonattainment" to "attainment" for carbon monoxide.

In the greater Los Angeles region, the area with the most severe smog problem in the State, daily ozone levels declined eight percent between 1995 and 1997, consistent with the long-term trend.

In 1998, ARB formally listed particulate emissions from diesel-fueled engines as a toxic air contaminant and launched an ongoing process to identify and implement strategies to reduce public exposure.



As part of the Air Toxics "Hot Spots" program, ARB developed pollution prevention checklists for six industries to reduce risk and improve compliance with existing requirements.

- **Increasing Public Involvement:** In the last year, ARB has provided greater opportunities for public and stakeholder input into the emissions inventory development process. Numerous public workshops and meetings with interested stakeholders were held prior to the Board's adoption of the inventory in November 1997. One result is that concerns regarding the assumptions underlying the emissions forecasting process are being addressed systematically. A conference of technical experts was held in Spring 1998 to discuss the forecasting process. The outcome of these efforts

will be greater involvement in the planning process and improved emission inventories.

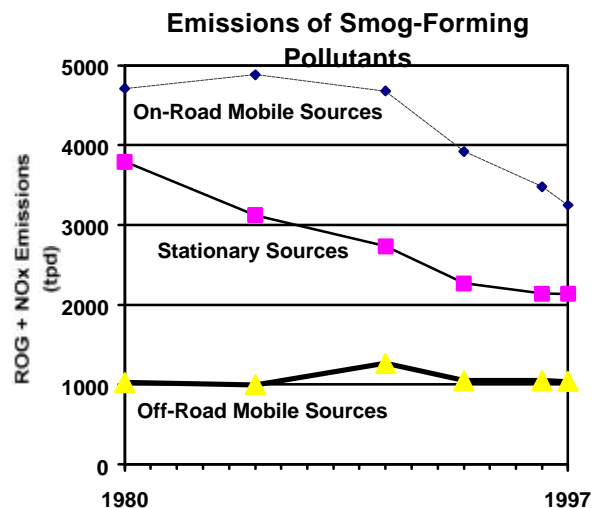
- **Cost-Effectiveness:** Cost-effectiveness of air pollution control programs is a priority concern of the ARB as it develops and adopts regulatory programs as well as in its work providing oversight of the air districts and other recipient agencies receiving Motor Vehicle Fees. In June 1998, ARB updated its *Criteria and Guidelines for the Use of Motor Vehicle Registration Fees*. The updated report provides new emphasis on cost-effectiveness as a criterion for project selection. In addition, it provides examples of successful projects that have achieved good cost-effectiveness. ARB staff will be working with recipient agencies over the coming year to host a “good projects” conference to further illustrate and bring the cost-effectiveness message to recipient agencies.

## Measurable Results

- **Emission Reductions:** ARB makes progress toward meeting air quality standards and protecting public health by reducing emissions of specific pollutants. Recent years follow the long-term trend of steadily declining emissions in California.

Emissions of ozone precursor pollutants decreased by ten percent statewide between 1995 and 1997. These reductions are also important in reducing particulate levels.

During this same period, ARB’s mobile source control program cut carbon monoxide emissions from on-road motor vehicles by 19 percent and ozone precursors by 17 percent, even though the number of motor vehicles in the State increased four percent.



ARB programs have historically focused on stationary sources and on-road motor vehicles, and therefore emissions from off-road mobile sources do not show the same declining trend. This will change, however, as recently-adopted standards take effect and emissions from off-road sources decline markedly in the next ten years.

Current emissions inventory data, as well as current and historical air quality data, are now available on ARB's web site.

- **ARB Certification Processes:** To ensure that emission standards are being met and reductions achieved, ARB conducts ongoing engine and equipment certifications. In 1997:

1,100 engine families were certified for compliance with emission standards and other performance requirements.

Over 9,000 pieces of portable equipment were registered, allowing operation around the State without the need to obtain separate permits from each air district.

Thirty-four gasoline vapor recovery systems or components were certified for compliance with efficiency and other performance standards.

- **Truck Smoke Inspection:** To reduce nitrogen oxide and particulate matter emissions, ARB conducts smoke inspections of heavy-duty trucks.

4,300 heavy-duty vehicles were inspected for visible emissions in the three months since restarting the Statewide heavy-duty vehicle inspection program.

Last year approximately 2,300 motor vehicle fuel samples and 700 consumer product samples were collected in the field for compliance determinations.

- **Publications, Courses, and Lab Analyses:** ARB assists local air district staff and industry personnel responsible for environmental compliance.

Last year, ARB provided 43,700 handbooks, 2,300 pamphlets, and 3,300 technical manuals through the Compliance Assistance Program; conducted eleven training courses totaling 208 days and 8,670 student-days; and performed over 500,000 laboratory analyses.

## **Air Resources Board High-Priority Project Teams**

- **Air Quality Data and Emission Sources Reconciliation Team**

Mission: To investigate the relationships between volatile organic compounds (VOC) and ozone air quality data and emissions inventories with the intent of identifying, reconciling, or affirming emission source contributions to measured air monitoring information. Better reconciliation methods will ultimately result in a more accurate emission inventory, the foundation of control planning and strategies.

Accomplishments: The team identified and evaluated available data and information on reconciliation of VOC inventory and VOC ambient measurements in six major areas: (1) off-road emission sources, (2) ambient air monitoring, (3) use of models in inventory reconciliation, (4) identification of stationary source emission market species, (5) monitoring for stationary source marker compounds, and (6) review of promising reconciliation techniques. The team prepared a draft technical memo, presented recommendations to the Executive Office and conducted a workshop to inform the public of its findings and explore future directions.

- **District Rules Assessment Team**

Mission: To conduct a comprehensive assessment of district rules for the purposes of identifying the most effective rules and providing guidance to the districts on feasible measures based on current rules and available technologies.

Accomplishments: The team coordinated an extensive evaluation of performance standards and emerging technologies for 25 stationary source categories, using source-specific district rules and guidance documents from ARB and U.S. EPA. The team's draft report, available on ARB's web-site, is being used by air districts to identify control strategies that can be implemented to gain additional emission reductions.

- **SIP Tracking Team**

Mission: To measure ARB, U.S. EPA, and air district progress in implementing the 1994 Ozone State Implementation Plan (SIP) by tracking the emission reductions achieved by existing measures and new SIP measures, as well as quantifying emission inventory changes and any shortfalls from SIP measures.

Accomplishments: The team is in the process of creating an electronic tracking system to monitor and quantify SIP progress.

- **Reactivity Assessment Team**

Mission: To review the effectiveness of the Board's current approaches for using variations in reactivities of organic compounds, in addition to the amounts or masses of precursor emissions, as ozone control techniques. The team will also make preliminary assessments of the impacts of reactivity on the formation of organic aerosols (fine particles).

Accomplishments: The team is examining the propensities of different compounds to form ozone as a function of different atmospheric environments, as well as reviewing existing control strategies which rely on reactivity. By early 1999, the team will provide recommendations for a coordinated, boardwide program to use reactivity as a regulatory tool.

- **Enforcement Initiative Team**

Mission: To improve compliance rates for federal, state and local air quality laws in order to reduce emissions of air pollutants, enhance air quality, and help achieve the emission reductions necessary to meet commitments in state air quality management plans.

Accomplishments: Based on its review and evaluation of ARB's existing enforcement efforts and resources, the team recommended a process and format for development of an Annual Compliance/ Enforcement Action Plan to allocate ARB's enforcement resources. Components of the Plan include an internal training program, a progressive enforcement policy, and performance measures for ongoing assessment to maximize emission reductions.

- **ARB Improvement Team**

Mission: To identify ways to enhance and supplement the Air Resources Board.

Accomplishments: The team surveyed management and staff to help identify suggestions to improve ARB and enhance its mission to improve air quality and protect public health. The team developed recommendations for solutions to the most common challenges faced by ARB which they presented to the Quality Advisory Board and to ARB staff.

## Department of Pesticide Regulation

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- Mission** The Department of Pesticide Regulation (DPR) protects public health and the environment with the nation's most rigorous and comprehensive program to evaluate and control pesticide use. DPR's mission is to regulate all aspects of pesticide sales and use, recognizing the need to control pests, while protecting public health and the environment and fostering reduced-risk pest management strategies.
- Vision** DPR will be a dynamic and responsive organization with the premier comprehensive program that protects public health and the environment.
- Overview** DPR programs are divided among three divisions. The Registration and Health Evaluation Division has three branches: Pesticide Registration, Medical Toxicology, and Worker Health and Safety. The Enforcement, Environmental Monitoring, and Data Management Division has Pesticide Use Enforcement Branch, Environmental Monitoring and Pest Management Branch, and the Information Technology Office. The Division of Administrative Services includes two branches: Audits and Resources Management.
- DPR scientifically evaluates the safety and efficacy of pesticides before they can be licensed for sale in California. To identify and develop measures to protect all segments of the population from potential risks from pesticide use, DPR reviews extensive toxicological and environmental data to assess a pesticide's potential impact on air, water, and food.
  - To protect workers, DPR evaluates potential hazards of pesticides and recommends measures designed to provide a safer pesticide workplace. DPR investigates all reports of pesticide-related illnesses to evaluate the effectiveness of the pesticide regulatory standards and modify them if necessary to avoid future injury.
  - DPR regulates the pesticide marketplace to establish professional standards of knowledge and conduct, licensing dealers that sell pesticides, as well as those who apply pesticides to crops, homes, and businesses.
  - Pesticide specialists in every county enforce restrictions to ensure safe use of pesticides in the workplace and elsewhere. They monitor

compliance with the state's strict worker protection standards, as well as the requirement that all agricultural pesticide use be reported.

- Water, air and soil are monitored for pesticide residues, and measures taken to prevent and reduce contamination, to protect the environment from potential adverse effects of pesticide use.
- To monitor the effectiveness of the regulatory program, and protect the public from illegal residues, imported and domestic produce is tested for pesticide residues.
- DPR encourages the development and adoption of reduced-risk pest management systems, including chemical, cultural and biological alternatives for managing pests. DPR encourages the development of more systematic approaches to pest management, to either maintain chemicals critical to integrated crop protection systems, or to facilitate the use of new tools in integrated pest management that are effective and economically feasible.

**Locations** DPR is headquartered in Sacramento, California. DPR also provides oversight of the statewide pesticide regulatory program by staffing three Regional Offices, and three Satellite Offices in California. The Regional Offices are located in West Sacramento, Fresno, and Anaheim. The Satellite Offices, staffed by a single DPR enforcement staff member, are located in Bakersfield, Ventura, and Watsonville.

**Staffing** DPR's 1998-99 budget of \$51.6 million includes \$35.9 million for state operations (402 authorized positions), and \$12.2 million for local assistance to county agricultural commissioners (CACs) for pesticide enforcement activities.



## Department of Pesticide Regulation

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DPR's efforts at self-improvement have taken many paths, including an external review by renowned pesticide expert Dr. Charles M. Benbrook in his report, "Challenge and Change" and the development of annual strategic planning documents, with extensive input from both internal and external stakeholders. In addition, DPR responded to Governor Wilson's quality government initiative for continuous improvement in State operations and to Cal/EPA's Quality Improvement Partnership, established by 1993 legislation.

### Customer Focus

DPR uses feedback from the following methods of achieving customer focus to shape legislative and regulatory proposals, program direction, policies, and process design or improvement:

- **Short- and Long-term Funding Negotiations:** The Food and Agricultural Code requires an assessment per dollar for all sales of pesticide products sold for use in the State of California. Historically, the mill assessment rate has been set at various levels by statute, but always with a sunset clause. Most recently, the mill assessment sunsetted to a base level of nine mills on July 1, 1997, from a high of 22 mills. As the mill assessment comprises approximately 65 percent of DPR's revenue, such a cut could have had significant fiscal and program impacts. DPR held extensive discussions with program stakeholders to determine the appropriate scope and most efficient operation of California's pesticide regulatory program. From these discussions, an overall funding strategy was negotiated that involved adopting significant program reforms, reducing the mill assessment rate, and enhancing customer service and satisfaction.

An overwhelming consensus of opinion received during our outreach effort centered on the need for California pesticide registration decisions to be made more timely. Following up on this successful outreach, DPR incorporated into its Strategic Plan "to assemble internal and external work groups to evaluate funding mechanisms and make recommendations to the Director for more stable and equitable long-term funding of the pesticide regulatory program." As a direct outcome of the funding negotiations, the following process improvements were initiated:

- **Better Tracking of Registration Applications and Decisions:** In 1998, the Pesticide Registration Branch made its weekly notices regarding proposed

and final decisions to register or deny registration of pesticide products available via the Internet to all stakeholders and internal staff. Providing these notices through a list server has reduced the time it takes to make them available to interested persons by a week. In addition, DPR now provides electronic access to a weekly notice entitled "Materials Entering Evaluation". This notice provides information on pesticide applications that have passed the initial review process and are entering DPR's scientific review process.

- **Concurrent Evaluations of Federal and State Registration Packages:** DPR accepts the following types of pesticide applications concurrently: (1) new products containing microbial or biochemical active ingredients; and (2) new products designated by U.S. EPA as "reduced risk". Accepting the pesticide applications concurrently with the applicant's submission of an application to the U.S. EPA for federal registration reduces the time between federal registration and a decision on the state registration of the same product.
- **Modified 30-Day Posting Period for Decisions:** DPR posts pesticide products for registration before the completion of all data reviews on a case-by-case basis, if it appears that the product will meet all requirements for registration and proof of a substantial need for the product is provided.
- **Expedited Processing of Minor Label Changes:** DPR established two separate processes to expedite the processing of minor label changes. The first process is for label changes that need to be reviewed, but do not require the review of scientific data. DPR processed 965 of these types of amendments in 1998. The second process allows registrants to submit certain minor amendments by "notification". These are changes that do not require review by DPR before acceptance. Over the last three years, DPR processed an average of 132 notifications per year.
- **Instituted an Electronic Registration Tracking System:** Before 1998, all submissions were recorded manually. In 1998, a Mail Log System, at the front end of the registration tracking system, was established. All registration submissions (and all other mail) are logged into an Oracle database (via the Intranet) and certain information about the submissions is made available to all staff via simple Internet-based queries. This electronic application ties the chemical, the company, and the Registration Specialist information together in a searchable format.

If the submission requires an action to be taken, it is given an ID number and a status sheet. In addition, all such submissions are now labeled with a bar-code for ease of data access. Also, all renewal and registration license tracking is now accomplished via the Intra/Internet. This Oracle application has streamlined the production and tracking of renewals and utilizes a bar-

code interface for data access and entry. Business processes have been streamlined to take advantage of these technological advances. Licenses are now imaged when they are produced, giving all staff access to current electronic licensing information.

- **Better Facilitation of Emergency and Special Local Needs Registration Processes:** Emergency exemptions from registration (FIFRA, Section 18's) information is now entered real-time into a Oracle application and mirrored out on to the Internet for public access. All current emergency exemptions from registration are available to stakeholders via the Internet, the day they become active.
- **Better Coordination with the U.S. EPA on the federal Food Quality Protection Act and the "Harmonization" Project:** DPR currently has a three pronged focus:
  - To collaborate with U.S. EPA on data review and labeling issues for pesticide applications that are accepted concurrently.
  - In order to speed up the Section 18 Emergency Use Exemptions approval process, DPR has assisted U.S. EPA with the establishment of time-limited tolerances and Section 3 tolerances. DPR also participated on numerous FQPA implementation committees.
  - Participation in international harmonization with U.S. EPA and Canada for the new pesticide new active ingredients.
- **Quicker Availability of DPR Evaluations (Risk Assessment):** DPR has committed to complete approximately 35 high priority risk assessments by the end of the 1998-99 Fiscal Year. What is being made available more expeditiously is the toxicity and exposure values that will be used to drive risk assessments.
- **Streamlining Risk Assessment Prioritization:** Active ingredients are prioritized for risk assessment by the Adverse Effects Advisory Panel, consisting of senior scientists from DPR's Medical Toxicology and Worker Health and Safety staff, and scientists from OEHHA. DPR recently initiated a policy to register active ingredients prior to the conduct of a risk assessment.
- **Greater Consistency in Risk Assessment Default Assumptions:** DPR has worked with the U.S. EPA and Health Canada to increase consistency in default assumptions. The greatest progress has been made in the area of exposure, with DPR staff serving on the exposure harmonization subcommittee of NAFTA Technical Working Group on pesticides.
- **Improving Pesticide Use and Illness Reporting:** The Pesticide Use Reporting (PUR) database contains records of essentially all pesticide

applications in production agriculture and by commercial applicators within the State. Since full use reporting was instituted in 1990, the system has grown in size and importance. DPR is now working on developing long-term plans to enhance the PUR and short-term solutions to make existing data more useable. One important short-term solution involves a systematic analysis to detect gross errors in the database; DPR has developed the first version of an error checking program.

DPR's Worker Health and Safety Branch (WH&S) entered into a one-year contract with the U.S. EPA and the California Poison Control Centers effective December 1998 to improve physician reporting of pesticide-related illnesses. For any call from a physician, the California poison control centers will offer to report any condition potentially related to pesticides on behalf of the physician – resulting in expedited incident investigations.

- **Preparing an Annual DPR Budget Report for Stakeholders:** AB 124 (Rainey, Chapter 361, Statutes of 1996) requires DPR to keep a record of the classes and sources of income credited to, and disbursed from the DPR Fund. DPR is also mandated to publish a report describing in detail the amount and source of funding of, and costs to operate, each branch of the department. This completed report is posted on DPR's Internet homepage for stakeholder access.
- **Regulatory Reform Initiative and Sunset Review:** Cal/EPA's Regulatory Improvement Initiative was designed to more effectively protect public health and the environment, while reducing unnecessarily burdensome regulations and practices. As part of Governor Wilson's Executive Order W-127-95, we were mandated to participate in a top-to-bottom review of nearly 28,000 regulations affecting the State. The goals were to reduce the volume and burden of regulations wherever we could, and improve what we did while not compromising our strict standards in protecting public health and the environment. We looked for anything that might be obsolete, duplicative, too complex and difficult to understand, or unduly burdensome.

To achieve external participation, an invitation was extended to members of the regulated community, representatives of environmental advocacy groups, and other interested parties to provide input and feedback. Every part of our program was on the table for discussion. An external facilitator, with the assistance of DPR staff, collected and compiled information and ideas generated by these focus groups. As a result of that comprehensive review process, DPR repealed 405 regulations and targeted another 28 for significant reform. We further believe that a systematic review of all regulations is a logical extension of our continuous improvement efforts. Thus, we have submitted a proposal to review all regulations on a five-year schedule.

- **Workshopping Programmatic Issues:** After successfully conducting four public workshops for the Regulatory Improvement Initiative outreach, DPR has incorporated periodic workshopping of programmatic issues as a tool for determining customer focus.
- **Providing Customer Training:** As recommended in Challenge and Change, DPR has dedicated resources to providing training to the regulated community, with special focus on registrants. A package of material on product registration was developed and workshops have been held. DPR will continue to seek opportunities to provide training for new registrants and those members of the registrant community that have experienced difficulty with the State's registration program. DPR has also revised sections of the Department study guide, used by applicants for the licenses issued by DPR, to improve licensees' understanding of product registration and labeling.
- **“Interest-Based Conflict Management” Training:** Training was recently provided for the CACs. The course was tailored specifically for the pesticide regulatory program, with case studies relevant to DPR and the CACs. The objectives achieved in this training will enable the CACs and DPR to resolve issues with permit applicants, permittees who need to complete corrective action, recalcitrant responsible parties, enforcement actions, overhead cost issues, conflicts between staff and their supervisor, between staff who need to work together, and units which are not coordinating effectively.
- **Reduced-Risk Pest Management Strategy:** DPR developed a Pest Management Strategy aimed at increasing the use of pest management information in decision-making and encouraging pesticide users to adopt reduced-risk pest management strategies. DPR also established an “IPM Innovator” awards program to aid in disseminating information on alternative methods of pest management. This award program recognizes growers, and others, who are already developing and using innovative ways of managing pests. DPR is also working with growers who want to establish new groups and increase the use of reduced-risk pest management. These actions are part of the Department’s commitment to encouraging voluntary pollution prevention programs.

DPR is also one of the few government agencies in the nation awarding grants to help develop innovative pest management practices that reduce the risks associated with pesticide use. In 1998, the Department established a new \$750,000 grant program to create alliances targeted at reducing pesticide risks to workers, consumers, and the environment. By the end of 1998, DPR will have awarded more than \$2.5 million in grants for these programs.

- **Ombudsperson:** Originally, an Ombudsperson was appointed in the Registration Branch to facilitate understanding of, and access to, the state registration process by registrants on matters pertaining to product registration. After the initial success of this effort, a second Ombudsperson was recently appointed to deal similarly with issues about licensing and certification programs administered by DPR's Enforcement Branch. Both Ombudspersons work in three areas to assist the regulated community: training and outreach, policy development and efficiency evaluation, and handling inquiries from registrants on product registration matters.

## Strategic Planning

- DPR published a comprehensive strategic plan in 1997 and reviewed the plan in 1998 to confirm its continued applicability. This plan was the culmination of numerous months' work involving internal DPR staff and a myriad of external customers and stakeholders. It is intended that this plan will guide DPR's efforts for several years, although the plan will be reviewed annually.
- **Activity Tracking System and Workload Analysis:** The Activity Tracking System database is a compilation of significant milestones (tasks) that have been identified in work plans submitted to and approved by DPR's Directorate to carry out selected projects (activities) in the following categories. Systematic reports are generated to enable DPR to assess current workload and expected progress.
  - Annual or legislative reporting requirements;
  - Strategic Plan Action Items;
  - Implementation of recent or historically significant legislation not yet completed;
  - Selected rulemaking activities; and
  - Special projects designated by the Directorate.
- **Performance Measures:** In response to Supplemental Report language for the 1997 Budget Act, DPR sent a letter to the Joint Legislative Budget Committee and other interested parties as a first step in an ongoing process of identifying appropriate performance measures for the pesticide regulatory program. This process is a component of our strategic planning process and will continue to offer opportunities for all of the Department's stakeholders, including the Legislature, to have input to the selection and evaluation of these program indicators. As a result of these negotiations with external stakeholders, the Supplemental Report for the 1998 Budget Act requires quarterly reporting of the following performance measures and other categories of activities or data we agreed to track:

- **Performance Measures for Toxic Air Contaminant Program (AB 1807)**
  - List of pesticides to be submitted to the Air Resources Board as requests for monitoring.
  - List of pesticides on which ARB expects to complete monitoring report.
  - List of TAC documents to be completed and submitted on a schedule acceptable to the Scientific Review Panel (SRP).
  - Commitment to track and report on actual number of document revisions requested by the SRP.
  - Commitment to track and report on actual number of TACs requiring mitigation measures.
  
- **Performance Measures for Birth Defect Prevention Act (SB 950)**
  - List of incomplete study reviews expected to be completed.
  - List of pesticides from the high priority for risk assessment list for which a health evaluation document will be completed.
  - Commitment to track and report on actual number of risk characterization documents that required mitigation measures.
  
- **Performance Measures for Pesticide Contamination Prevention Act (AB 2021)**
  - List of pesticides added to the Ground Water Protection List.
  - Total number of ground water samples to be drawn.
  - Total number of Pesticide Management Zones (PMZs) to be added into regulation.
  - List of incomplete study reviews expected to be completed.
  
- **Performance Measures for Reduced-Risk Efforts**
  - Commitment to track and report the number of new reduced-risk product registrations.
  - Commitment to track and report use trends of identified reduced- risk materials.
  - Commitment to identify ways to track and report the extent that reduced-risk pest management systems are being adopted.
  
- **Performance Measures for Worker Protection**
  - Total number of workplace evaluations to be conducted.
  - Total number of field monitoring studies to be conducted.

## Process Management

DPR identifies internal processes for improvement via:

- **Quality Improvement Teams:** DPR chartered several teams to address internal and external issues. A listing of these teams is included at the conclusion of DPR's report.
- **County Agricultural Commissioner Liaison:** Under State law, DPR is responsible for statewide enforcement of pesticide laws and regulations. The county agricultural commissioners are the local enforcement arms of the regulatory program. DPR provides direction and guidance to the commissioners in planning and carrying out local enforcement. The CAC Liaison works closely with the commissioners to enhance coordination between state and local government. The Liaison serves as the focal point of communication between DPR and the commissioners on issues of mutual concern, including budgeting, training, environmental issues, and pesticide policy.
- **Harmonization, Concurrent Review, and Registration Streamlining:** Without reducing California's high standards for environmental and public health protection, DPR implemented a series of enhancements in its registration program to remove bureaucratic obstacles and speed up the registration of more environmentally benign pest management strategies. In doing so, DPR significantly reduced the time required to evaluate all new pesticide products.

To encourage the registration of pesticides that pose lower risks to public health and the environment, DPR now allows companies to submit applications for registration of microbial, biochemical, and new reduced-risk products to California when they submit applications for federal registration. DPR also began a program to harmonize its pesticide registration program more closely with that of the U.S. EPA. The two agencies signed a memorandum of understanding to more closely coordinate the federal and California pesticide registration programs. Harmonization goals include reducing needless duplication, getting safer products to market faster, and more quickly removing products that pose unacceptable hazards. Resources saved can be spent on accelerating the registration of lower-risk products. The long-term objective is to resolve differences and increase uniformity.

Cal/EPA appointed a Risk Assessment Advisory Committee (RAAC), also under provisions of SB 1082, that issued a report in October 1996, entitled "A Review of the California Environmental Protection Agency's Risk Assessment Practices, Policies, and Guidelines". In the report, "[T]he Committee notes with favor the beginning efforts made by Cal/EPA personnel in harmonizing



their risk assessment activities with their federal counterparts. In 1995, for example, Cal/EPA's DPR and the U.S. EPA Office of Pesticide Programs developed a 'Memorandum of Understanding' for fostering harmonization of their risk assessment activities, to facilitate exchange of work product, and to use resources more efficiently."

- **County Negotiated Work Plans:** Uniform enforcement standards, developed jointly by DPR and the CACs, are being implemented through negotiated work plans to ensure that enforcement of pesticide laws and regulations is fair and equitable between counties. These work plans ensure that laws will be similarly enforced from county to county while providing CACs the flexibility they need to deal with unique local conditions.

The guidelines were implemented in conjunction with a project to rewrite DPR's enforcement contracts with CACs to give more priority to activities that directly protect worker and public health, and the environment. Working under contract to DPR, CACs agree to perform certain pesticide enforcement activities. These enforcement activities range from investigations of pesticide-related illnesses to checking training and storage records of pest control companies. The contracts now specify that a higher priority be given to such enforcement activities as worker protection inspections, illness investigations, applications of certain high toxicity pesticides, and agricultural applications adjacent to parks or schools. Lower priority is given to activities like routine inspections of growers or businesses with no recent violations.

- DPR also identifies the need for improved processes and services through new legislation, new policy directions (Executive Orders), new innovations or technology, stakeholder requests, benchmarking with other government organizations, and strategic planning.

## Human Resource Focus

- **Employee Suggestion Box:** DPR maintains both a physical and electronic suggestion box for staff input. Both are collected and reviewed weekly with written responses to all suggestions. Several significant process improvements have been implemented as a direct result of suggestion box input.
- **Operational Issues Committee:** The Operational Issues Committee (OIC) met from 1996 to early 1998 to explore the strategic issues designated as operational in nature and to recommend solutions. The OIC examined the following general issues:
  - Administrative Leadership
  - Advancement

- Black Holes
- Decision Making
- Delegation of Authority
- Fiscal Process
- Flow of Information
- Professional Development
- Recognition
- Respect
- Risk Taking
- Work Conditions

The OIC recommended solutions to address each issue. For the past year, the OIC addressed specific sub-issues under each major issues and discussed the following:

- **Commensurate Salaries:** DPR currently has a 1999-00 budget change proposal submitted to the Department of Finance to change the Registration Specialist and the Pesticide Use Specialist classifications to a common Pesticide Regulation Specialist with commensurate duties and salary structures.
- **Individual Development Plans:** All DPR's training plans are based on customized Individual Development Plans. A process to tie the needs assessment and training plans to the strategic planning process is underway.
- **Telecommute and Alternate Work Schedule Policies:** The DPR Telework Policy is in the final steps of completion and is expected to be approved and implemented in 1999.
- **Mill Assessment Staff Task Force:** In order to collect a broad spectrum of staff suggestions on program improvements and to prepare for future statutory funding proposals related to the mill assessment sunset, the Director created the Mill Assessment Strategy Task Force. This Task Force consisted of twenty staff members from all branches and functions. The Task Force met extensively over six weeks to review proposals for regulatory improvements and corresponding funding scenarios.
- **Brown Bag Lunches and All-Department and Other Staff Meetings:** DPR regularly schedules informational meetings to maintain open dialogue between staff and management.

## Leadership

DPR's leaders have supported and encouraged continuous improvement by initiating many customer feedback efforts, identifying areas for improvement,

allocating resources for improvement activities, recognizing improvements and staff efforts, implementing staff recommendations, and by:

- **Office of Policy Coordination and Continuous Improvement:** DPR recently created the Office of Policy Coordination and Continuous Improvement whose mission is to assist the Department to continuously improve the California pesticide regulatory program through advocacy, analysis, consultation, coordination, and facilitation aimed to:
  - Develop and sustain effective and consistent policies;
  - Develop, reinvent, and renew programs in an effective and timely manner;
  - Foster a friendly, cooperative, and nurturing institutional culture; and
  - Evaluate and measure our progress.
- **Branch Chief Training for Performance Measurement:** Leadership's commitment to quality improvement efforts was demonstrated by three of DPR's eight branch chiefs making time to attend extensive training in performance measurement.

## Information and Analysis

- **Mitigation Measures Adopted:** DPR strengthens human health and environmental protections through a variety of regulatory actions, most of which are designed to mitigate potential risks. A key mitigation strategy is the issuance of suggested restricted material permit conditions. Restricted materials are pesticides which DPR or the U.S. EPA has designated as having increased potential of human health or environmental effects.

A Restricted Materials Permit must be acquired and approved by the appropriate CAC before a person may possess or use restricted pesticides. The CAC may place conditions in the permit on how and where a restricted material may be possessed or used. These conditions address any protections deemed necessary to increase protections for vulnerable persons, places, plants, or animals. Permit conditions may include, but are not limited to, buffer zones between a pesticide application site and dwellings, schools, or other areas frequented by the public; application methods; application rates; restricted entry intervals; and worker protective equipment to increase protections for workers handling pesticides or exposed to pesticide residues.

For the period of January 1995 to present, DPR issued 25 suggested permit conditions. Permit conditions were issued for Molinate (3), Methyl Bromide (12), Telone II (3), Trigard 7 (1), 1,3-dichloropropene (4), 1080 Livestock Protection Collar (1), and Citation (1).

As the result of other mitigation strategies, DPR took the following actions to increase levels of human health and environmental protection:

- **Initiated reevaluation of existing registrations for:**
  - All agricultural and commercial structural use pesticides which are formulated as liquids and solids to evaluate for air quality impacts as volatile organic compounds (VOCs)
  - Copper naphthenate
  - Products containing potassium orthobenzyl parachlorophenate, potassium para-tertiary-amylphenate, sodium dodecyl benzene sulfonate and/or potassium orthophenylphenate claiming to be effective as a tuberculocide
    - Cyfluthrin
    - Diphacinone
    - Metam sodium
    - Maneb
- **Notices of final decision in reevaluation were issued for:**
  - Chlorthal-dimethyl
  - Thiophanate-methyl
  - Pine oil
  - All agricultural and commercial structural use pesticides which are formulated as liquids and solids evaluated for air quality impacts as volatile organic compounds (VOCs).
- **Registered 32 new reduced-risk pesticides in 1996 and 1997 out of a combined total of 91 registrations during that period.**
- **Approved a new Endangered Species plan to protect the kit fox.**
- **Adopted seven emergency or standard rulemaking packages in the last three years to mitigate potential human health or environmental risks.**
- **Home Pages:** A founding principle of Cal/EPA is to make the regulatory processes and procedures as open as possible. DPR increased public access dramatically with the establishment of a World Wide Web homepage ([www.cdpr.ca.gov](http://www.cdpr.ca.gov)). The site provides access to many of DPR's technical databases, which include hundreds of thousands of records on pesticide registrations and use. Press releases, major publications, consumer fact sheets, and proposed regulations can also be read and downloaded. DPR accepts comments on proposed regulations via E-mail. The site also features an interactive database that allows pesticide users to select where in the state they want to use a pesticide — down to a square-mile grid — and get a detailed, customized report on the endangered species potentially living in that habitat. DPR has received numerous plaudits for this effort.

## Measurable Results

- **Licensing and Certification Improvements:** DPR established consolidated filing for each individual and business. All applications and transaction documents for an individual or business have been compiled in a single file. This improvement reduces the time needed to conduct multiple licensing transactions with the program by up to 50 percent.
- **Reduction in Volatile Organic Compounds (VOCs):** DPR worked with the Air Resources Board, local air districts, U.S. EPA and others to identify ways to reduce VOC emissions from pesticides contributing to air pollution. The result was a plan based on categorizing pesticides by their actual VOC emission potential, thereby avoiding overly broad regulations that unnecessarily restrict pesticide use. DPR also developed a method of estimating pesticide VOC potential and asked manufacturers of liquid formulations of agricultural and commercial structural use products to produce VOC data. As a result, changes in pesticide product formulas, registrations, and use practices are expected to help cut VOC emissions. [see attached chart]
- **Improvement in Physical Illness Reporting:** DPR has what is regarded as the nation's most stringent worker safety program. The centerpiece of that program is the Pesticide Illness Surveillance Program (PISP), recently cited by the U.S. General Accounting Office as a model pesticide illness reporting system for the nation. The goal of the PISP is to investigate pesticide-related illnesses, and evaluate the results with an emphasis on preventing occupational illnesses and injuries.

The illness surveillance system, as a component of pesticide worker protection, attempts to identify potential workplace hazards from pesticides and application methodology and adopts measures to mitigate potential excessive exposures. From the inception of the PISP in the early 1970's to the program today, improving the reporting of illness data and the quality of investigations is paramount. The goal is not just to compile statistics but to evaluate illnesses or injuries caused by pesticides and arrive at solutions through mitigation measures that will make the pesticide workplace a safer environment. [see attached chart]

- **Correspondence Improvements:** DPR's electronic correspondence tracking system has improved the inter-office assignment system significantly. The system provides consistent guidelines for completing a given assignment, and provides a detailed history of the project, plus notification on overdue assignments. Additionally, the correspondence handbook was redesigned in order to be more user-friendly. DPR's overall interoffice communication was also improved by providing staff training in the areas of business writing and grammar/proofreading.

- **Customer Survey Results:** DPR received feedback from 326 customer service survey respondents in Fiscal Year 1996/97, with an average approval rating of 95%. With an increased focus on customer feedback, the number of survey respondents increased dramatically in Fiscal Year 1997/98. During this timeframe, 1007 surveys were received with an average approval rating of 87%.

## Quality Improvement Teams

- **Correspondence Team**

Mission: To establish a consistent correspondence assignment and review protocol, which reduces the amount of staff time and resources, while maintaining the level of excellence.

Accomplishments: The team was created to address the format and content of correspondence prepared for signature of DPR's Executive Office. The mission was to establish a consistent assignment and review protocol. As a result, an electronic tracking system was developed to improve coordination of the over 700 letters per year sent by the Executive Office. Assignment folders are used to give instructions to staff and to reduce the time needed to complete assignments. A correspondence manual was developed to provide preparers with standards for format, style, and grammar. The number of correction cycles was reduced.

- **Evaluation Memo Team**

Mission: To establish a formalized process for the format, distribution, and utilization of the information contained in scientific evaluations for pesticide products.

Accomplishments: Approximately 2000 scientific evaluations are written per year. The team developed a standardized format for Evaluation Reports and enabled each scientist to create and store the reports electronically. Also resulting was a heightened awareness that the scientific evaluations can become public information. The changes enable staff to better understand the conclusions and recommendations of the scientists and to reduce the time and associated resources.

- **Policy and Procedure Assessment Team**

Mission: To establish a centralized system for compiling, consolidating, and maintaining policies and procedures for the pesticide product registration review process.

Accomplishments: The registration desk manual was rewritten, consolidated, and updated with the over 220 policies and procedures issued since the last major revision. A centralized system for developing new procedures and policies was developed. This system includes draft review of proposals, a clearinghouse for verifying content, a numbering system, distribution to all staff, and a process for incorporating changes into the desk manual. The information will be available electronically; the result is anticipated to be better consistency in implementing new policies and procedures and a streamlining of procedures.

- **Risk Mitigation Coordination Team**

Mission: To establish a consistent process for departmental coordination and improve inter-branch dialogue to reach the best regulatory decisions.

Accomplishments: The team developed a risk mitigation plan, which was approved for implementation; this plan is currently in use.

- **Standard Operating Procedures Development Team**

Mission: To organize all appropriate policies and procedures into a functional branch reference manual.

Accomplishments: The team developed a set of Branch reference manuals which contain subject areas such as: safety, vehicle management, county enforcement programs, cooperative working agreements, and DPR's organization. These reference manuals were distributed to DPR's regional offices in November 1998. An update procedure for the manuals is currently being developed and should be completed by December 1998.

- **Information/Data Integration Quality Team**

Mission: To evaluate the major information/data sources within DPR with a focus on (1) identifying sources/nature of information and data collected; (2) identifying barriers to accessibility; (3) Identifying opportunities for full use throughout DPR; and (4) developing recommendations for improvement. A second phase of this project entails (1) identifying types of multimedia evaluations; (2) enhancing integration of data/information into existing multimedia evaluation and processes, and (3) developing recommendations for improvement.

Accomplishments: The team's final report has been prepared for DPR's management and will be presented before the end of the calendar year.

- **Program-Generated Work Products Circulation Process Team**

Mission: To improve the circulation and feedback processes for program-generated work products such as reports, risk assessments, and issue memos.

Accomplishments: This team is temporarily suspended due to personnel changes.

- **People & Pesticides Team**

Mission: To propose how DPR and the County Agricultural Commissioners can improve their responsiveness to public concerns about pesticides.

Accomplishments: This team is currently meeting twice per month. In August 1998 the team identified customer/stakeholder groups, internal and external and determined expectations. The team is currently examining external systems such as public health and the U.S. EPA, and internal systems (information flow, responsiveness, issues, priorities, and resources). It is anticipated that recommendations for improvement will be delivered to DPR's management team by March 1999.



## Department Of Toxic Substances Control

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- Mission** To protect public health and the environment from harmful exposure to hazardous substances without unnecessarily impacting sustainable growth and development.
- Vision** It is the vision of the DTSC that all California citizens and the environment are safe from exposure to hazardous waste, that contaminated sites are restored to beneficial use, and that these efforts are accomplished in a cost-effective manner that is responsive to all constituencies.
- Overview** The Department of Toxic Substances Control (DTSC) is responsible for regulating hazardous waste facilities and overseeing the cleanup of hazardous waste sites in California.

### **Hazardous Waste Management Program (HWMP)**

Through its inspection, compliance and corrective action programs, DTSC ensures that state and federal requirements for managing hazardous wastes are implemented. Nearly 200 major commercial facilities have authorization to treat, store and dispose of hazardous waste in California. The 5,000 businesses which conduct lower-risk treatment activities are regulated through a streamlined tiered permitting process that provides an appropriate level of oversight.

DTSC carries out its own statewide inspection program and responds to nearly 1,000 citizen complaints regarding hazardous waste handling per year. Technical and investigative support is provided to federal prosecutors and local district attorneys who are prosecuting environmental crimes. Six state environmental programs, including inspection of the 60,000 businesses that generate hazardous waste, have been consolidated at the local level. DTSC carries out administrative functions and oversees 69 Certified Unified Program Agencies (CUPA).

### **Site Mitigation Program**

Thousands of properties through the state -- including former industrial plants, military bases, small businesses and landfills -- are contaminated with some level of toxic substances. Currently, work is underway on hundreds of contaminated properties throughout the state. Expediting this cleanup work is one of the most important goals of the program, and achievements are being realized toward these goals through the Voluntary

Cleanup Program, Expedited Remedial Action pilot program, and the “Brownfields” initiative.

In 1995, DTSC was given lead responsibility for cleanup activities of illegal clandestine drug labs and has worked with law enforcement agencies to remove toxic chemicals at more than 5,000 labs.

### **Science, Pollution Prevention and Technology Development**

Capitalizing on new environmental opportunities made possible through innovative technologies and pollution prevention activities, California is a national leader in developing better solutions to the management of hazardous wastes. The Environmental Technology Certification Program, winner of the 1996 Innovations in Government Award, is fostering development and use of emerging technologies to improve the quality of the environment. Formation of interstate and international technology partnerships has enhanced acceptance of these technologies beyond our borders, resulting in major economic and environmental benefits.

**Locations** Berkeley, Clovis, Cypress, Glendale and Sacramento

**Staffing** DTSC has approximately 1,000 positions, including scientists, engineers, geologists, toxicologists, attorneys, criminal investigators and various administrative specialists.

## Department of Toxic Substances Control

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### Customer Focus

Stakeholder involvement is a critical element in DTSC's ability to meet its mission. Our stakeholders or customers include the public, impacted communities, the regulated community, local, state, and federal governmental agencies, public interest groups, as well as elected officials. With such a wide range of customers, it is no small feat to remain informed about their needs and interests on the wide ranging issues that face DTSC.

In order to effectively involve such a diverse group of customers, it is necessary to initiate a variety of methods to solicit input. Some of the efforts are described below.

**Agency wide Ombudsman Forums:** Forums are conducted semi-annually throughout Northern and Southern California. In 1997, approximately 300 people attended the five Spring Forums and nearly 200 people attended the five Fall Forums.

**Regulatory Reform:** Over the past three years, DTSC carried out a comprehensive review of California's system for identifying and regulating the management of hazardous waste. The Regulatory Structure Update (RSU), in conjunction with several hazardous waste management program reform projects, included an evaluation of all aspects of California's hazardous waste regulatory program which differ from the federal Resource Conservation and Recovery Act (RCRA) program.

To assure that DTSC received input from affected stakeholders, an external advisory group composed of local, other state and federal agencies, environmental and public interest groups, generator industry, waste management industry, environmental law firms, recycling industry, and transporters, was convened. All tasks and related issues were presented to the RSU External Advisory Group at all stages of development. The discussions at RSU meetings benefited the staff of the Department as well as stakeholders who had the opportunity to hear concerns from all points of view and thereby promoted deeper and more comprehensive understanding of the issues. Twelve External Advisory Group meetings were held between 1995 and early 1998, as well as 47 focus group meetings, which were devoted to in depth discussion of a specific area or issue. To date, 20 reform projects have been completed and implemented. An additional 26 are in various stages of the regulation adoption process. A new waste classification system is currently under review by the

National Academy of Sciences and that, along with an additional set of streamlined waste management handling standards, is expected to proceed through the regulatory adoption process next year.

**Reauthorization and Reform of the Site Mitigation Program:** Over an 18 month period, the Site Mitigation Program worked with a broad spectrum of Program stakeholders, including environmental and community organizations, military service branches, regulated industries, the banking industry, redevelopment agencies, and the Legislature to reform and reauthorize the Program. However, the Legislature adjourned on August 31, 1998, without reauthorizing the Program. As a result, DTSC will lose certain authorities provided by Chapter 6.8 of the Health and Safety Code. Sufficient funds were appropriated in the FY 1998/99 Governor's Budget to fund the Program through June 30, 1999. Furthermore, DTSC has sufficient remaining authorities under Chapter 6.5 as well as certain other provisions of the Health and Safety Code which will allow the continued cleanup of the approximately 407 active cleanup sites and the 83 certified sites which remain in long-term operation and maintenance status and which must be periodically monitored.

**Task Force on Fee Reform:** DTSC convened a task force to review the existing hazardous waste fee structure and develop a proposed new funding system for the Department's program. The Task Force, comprised of representatives from the Legislature, environmental groups, state employees, and fee payers, began meeting in April, 1996 and completed its report and recommendations in January 1997. Many of the recommendations were incorporated into SB 660 (Chapter 870, Statutes of 1997) which enacted the Environmental Cleanup and Fee Reform Act of 1997, and restructured the Department's fee and funding system.

**ISO 14000 Pilot Projects:** Workshops were held to solicit input and ideas on the scope of the pilot projects, methods of evaluation, and methods of involving the local community.

**Unified Program Advisory Group:** DTSC meets regularly with the Unified Program Advisory Group to ensure effective coordination on the Unified Program between the local agencies, DTSC, State Water Resources Control Board, Office of Emergency Services and Office of Fire Marshal.

**CUPA Monthly Mailings:** State Regulatory Program Division sends a monthly mailing to the CUPAs and designated agencies which includes information relating to the Unified Program, generators and regulatory changes.

**Laboratory Reform Task Force:** The Laboratory Reform Task Force was created to recommend improvements in the regulation of California laboratories. DTSC invited representatives from diverse organizations, including public and private universities, biotechnology industry, commercial testing laboratories, government laboratories, and others. DTSC staff from the Hazardous Waste

Management Program and staff from the Hazardous Materials Laboratory participated in meetings, as well as related meetings of the Government-University-Industry Research Round table (GUIRR), which was sponsored by the National Academy of Sciences.

**Team Solicitation of Customer Input:** Customer and supplier input is also a consideration for all of our quality improvement teams. The internal and external customers' perspectives are considered from the formation of the team through the conclusion. Input has been solicited through personal interviews, surveys, workshops or circulating draft documents for comment, or through having a customer or supplier be a member of a team.

**Customer Contacts:** Our stakeholders can contact us through a number of means, including calling our duty officers, who respond to inquiries, calling our complaints hot line to register complaints or concerns about hazardous waste disposal, through our ombudspersons and through our Generator Information Services System phone line, which respond to 60,000 calls per year.

**Internet:** DTSC's outreach through the Internet has kept pace with the growth of the technology and the demand for information availability from our stakeholders. DTSC's Website is an indexed, multi-page Internet resource catalogued by major programs and initiatives. It provides access to departmental publications, policy documents, regulatory initiatives, forms, downloadable software on risk assessment, and other items of interest to our stakeholders. DTSC's Website is continuously updated and modified.

## Strategic Planning

Quality management is integrated into the strategic plan. For example, the strategic plan includes many performance measures which help us monitor our performance, identify areas for improvement and areas of strength.

DTSC initiated strategic planning in 1994. Internal and external committees were established as a means of securing input from our stakeholders and our staff. Their input was solicited through the SWOT (strengths, weaknesses, opportunities and threats) analysis, as well as in the shaping of the strategic plan itself. Shortly after the 1994 plan was completed, the Department experienced a significant decline in its revenue, and some dramatic changes in regulatory conditions at the state and federal level. These changes necessitated more modest and focused goals in the following strategic plan. The second and third strategic plans have incorporated the quality principles of customer focus, continuous improvement and performance measures. The Department's activities encourage pollution prevention and compliance, two critical activities which will reduce the number and severity of hazardous waste problems facing future generations. Preventing problems is the essence of quality!

Performance measures are collected and reviewed on a quarterly basis. The ongoing collection and review of the measures provide staff with regular information on what is working well, and what needs special attention.

## Process Management

In a dynamic field such as hazardous waste management, effective process management is critical. The best approaches to preventing, managing and remediating hazardous waste have evolved based on experience, research, new industrial processes and the development of new technology. Our processes to permit and inspect facilities and to remediate sites, as well as the many support processes, must be updated and improved to take advantage of the advances.

DTSC identifies processes for improvement through:

- Monitoring performance measures - Performance measures help us identify if a process is not operating within the desired parameters of timeliness, cost and quality.
- Internal customer feedback - Staff can propose suggestions for improvements based on the problems they observe, or the opportunities for improvement they can identify. The Director and Chief Deputy Director conduct monthly all staff meetings in headquarters and the regional offices to promote two way communication. In addition to transmitting information to staff, the meetings afford staff with the opportunity to ask questions and make suggestions.
- Stakeholder feedback - Stakeholders can communicate their suggestions or concerns in a number of ways including through the customer service survey forms, any of the many stakeholder outreach efforts including ombudsperson forums and subject specific workshops, letters, and comments to staff. Based on the input received, opportunities for improvement are identified and prioritized.
- Strategic plan process - Through the strategic plan process, DTSC identifies its goals, strategies and objectives. Convening a quality team can be the method to achieve an objective.

Teams have also proven to be an effective means of designing a new process, product or service. The need for a new product, process or service is identified through:

- New legislation which mandates a new service, program or policy;

- New policy direction, which may be in response to stakeholder input, legislative interest, federal policy, or new research or information;
- New innovations;
- Strategic planning process, or the performance measures data.

Proposals for a cross functional team are reviewed by the executive staff to ensure there is agreement the issue merits the resources needed, the mission is clear, and the team will have the support it needs to be successful. At critical milestones, teams provide executive staff with a description of the process they used to evaluate the issue, and their recommendation. The team's progress is monitored by the team itself, by the sponsor and periodically at executive staff meetings.

## Ongoing Process Management

Existing processes are monitored using a variety of tools including performance measures and customer feedback. The major processes, such as the permit review process, and the site mitigation process are very complex, and must operate within federal and state law and regulatory parameters. DTSC strives to make the processes as efficient and consistent as possible.

## Human Resource Focus

**DTSC has many mechanisms through which it solicits input from employees:** Monthly all staff meetings are conducted by the Director and Chief Deputy Director in each regional office and headquarters to encourage two way communication. The Director and Chief Deputy Director share information with staff on such topics as the Department's budget, strategic plan, relevant legislation, program direction and staff recognition. The remainder of the agenda is open to staff questions, concerns, suggestions and requests for information. All manager meetings, using a similar format, are conducted three to four times a year.

**Staff Forums:** HWMP held staff forums to focus on work related issues important to staff and methods for continuous improvements. Statewide HWMP staff identified six issues dealing with communication, credibility, equipment, improved resources, priority-setting and improved accountability and suggested methods of improvement. The HWMP management team met with staff, and also in an independent workgroup, to discuss the issues and adopted proposed staff suggestions. Staff suggested improvements which were adopted are: management office hours, assignment tracking, written assignment sheets to accompany all assignments giving direction, details and the due-date of the assignment, annual work plans shared with support staff to get buy-off and suggestions, and the establishment of quality improvement teams to deal with specific issues.

The Site Mitigation Program manager set up special meetings with his staff to review specific issues and concerns. From the information culled from these sessions, he identified the resources staff requested to improve their ability to complete their assignments. He set his priorities for training, and purchasing equipment and software for two years based on this input. In concert, a team is making recommendations on the project management process, which will complement the training and software commitments.

**Staff Contributions:** DTSC's staff contributions are the key to continuous improvement. They contribute ideas for improvement, serve on the quality improvement teams, initiate improvements in their own work, as well as the processes they use, serve as consultants or coaches to their peers on methods for improving work, and participate in professional organizations.. By actively participating in professional organizations they have the opportunity to learn what is working in other settings, and benefit from the perspectives and approaches of other organizations. Staff also are the key link between our stakeholders and our organization. As the link, they work to build effective working relationships with all of our stakeholders. This involves learning more about how our requirements impact our stakeholders, and teaching our stakeholders how to comply with our regulations.

Finally, staff input is generated explicitly on specific issues. Information on a number of issues is disseminated on e-mail or is available through electronic bulletin boards to provide staff with current information and to provide them with an opportunity for input.

## Leadership

Our leaders have supported and encouraged continuous improvement. This support has been demonstrated best through active participation in activities such as serving as a team sponsor, and allocating the resources for quality improvement activities. As the team sponsor, they not only signal their support, but they monitor the team's progress, provide input and guidance, and then support the implementation of the recommendations. The leaders also have been instrumental in identifying areas for improvement. DTSC's leaders have increased their efforts to solicit customer feedback, and to solicit it earlier in important policy development processes.

Other areas of support include support for training staff in customer satisfaction, and encouraging more staff to attend training on quality improvement. Finally, a critical element in implementation of any effort is recognition. DTSC shares the results of its improvement efforts through meetings and the employee newsletter. The Recognition program within the department has been revised to



acknowledge the contribution of teams and workgroups. Awards are open to team or individual nominations, and can be initiated by managers or front line staff. Also DTSC has conducted third annual Share Fairs. The Share Fair is an opportunity for staff to learn more about the organization and its functions and to celebrate its achievements.

## **Information and Analysis**

DTSC has several systems designed to capture data on our operations. The data systems capture information, for example, on the number of facilities or sites in our jurisdiction, dates of action taken and description of action taken, and number of manifests processed. Efforts are underway to make the information more accessible to staff via a wide area network and the Intranet/Internet. Specific staff are responsible for ensuring the integrity of the data.

## **Measurable Results**

**Performance Measures:** The Department uses a quarterly executive report to track progress in program areas. The specific elements of the quarterly report are identical to the performance measures of the Strategic Plan, which serves to link the Strategic Plan to tangible performance measures while linking the quarterly reports to future direction. Below is a summary of some of the information from the reports.

- **Site Mitigation Program**
  - Annual Work Plan (AWP): DTSC's AWP sites are identified as investigation or cleanup work to be undertaken in the current fiscal year. AWP sites include National Priorities List (NPL) or federal Superfund sites that are considered to be the greatest threats to public health and the environment in the State; State Orphan sites (where parties responsible for the contamination cannot be identified or cannot pay for the cleanup); Responsible Party sites, where the parties responsible for the contamination conduct and pay for site investigations and cleanup actions; and federal facilities (military bases) that are or were owned and operated by the various service branches within the Department of Defense or the Department of Energy.

Below are statistics compiled from the AWP, VCP and ERAP sites:

Removal/Remedial Actions<sup>1</sup> - Consists of: Removal Actions and Remedial actions completed during each fiscal year listed below:

Fiscal Year 1994/95	103
Fiscal Year 1995/96	99
Fiscal Year 1996/97	105
Fiscal Year 1997/98	146
Total	453

Certifications<sup>2</sup> - Certification means that all necessary cleanup actions have been satisfactorily completed in accordance with State laws and regulations. Certifications completed during each fiscal year are listed below:

Fiscal Year 1994/95	21
Fiscal Year 1995/96	28
Fiscal Year 1996/97	34
Fiscal Year 1997/98	22
Total	105

- **Voluntary Cleanup Program (VCP):** The Voluntary Cleanup Program (VCP) was created in 1993 to address lower priority hazardous substances release sites where there is a motivated responsible party or project proponent. The VCP stresses the use of presumptive remedies and innovative technologies to expedite cleanups, along with a risk analysis and land use covenants that can link the cleanup standards with the planned use of the property. The VCP uses a fee-for-service agreement to obtain funding for DTSC oversight costs. Since its creation in 1993, approximately 365 projects have entered the VCP; approximately 245 have been successfully completed under the VCP.

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<sup>1</sup> Removal actions are partial cleanups generally taken in response to an immediate public health or environmental threat. Remedial actions are generally those that complete site cleanups and lead to site certification.

<sup>2</sup>The certification totals include sites that were certified as “complete” and sites that are certified with ongoing Operation and Maintenance (O&M) activities.

- **Expedited Remedial Action Program (ERAP) (SB 923):** The Expedited Remedial Response Action Program (ERAP) allows for the use of alternative procedures for the cleanup of hazardous substance release sites. Up to 30 sites may participate in this program with DTSC being identified as the lead agency to oversee site cleanups. ERAP provides for mitigation rather than litigation by revising the liability scheme based on fair and equitable standards; providing indemnification protection; providing a streamlined remediation process; and establishing a dispute resolution process. Key economic and liability provisions provide incentives to voluntarily remediate contaminated properties. Currently two sites have been certified with a third expected by the end of the 1998 calendar year.

DTSC also responded to 103 emergencies involving hazardous wastes in 1997-98 FY.

- **Hazardous Waste Management (1997-98 FY)**

There were 334 hazardous waste facility inspections conducted.

The percent of hazardous waste facilities where the most serious violations (Class 1 violations) were detected dropped from 33 percent in FY 1990-91 to 15 percent in FY 1997-98. The percentage of facilities where no violations were detected has increased from 17 percent in FY 1990-91 to 44 percent in FY 1997-98. Inspections and aggressive enforcement action, in combination with enhanced education efforts through industry workshops and the compliance school partnership with the community colleges has resulted in increased compliance.

DTSC received over 950 complaints of possible hazardous waste violations. These complaints are initially triaged, then investigated by DTSC, referred to appropriate agencies for further investigation or closed.

Sixty-nine CUPAs were approved and are operating to consolidate six environmental programs previously administered at the state level. Currently, over 96 percent of the State's businesses are located in areas with CUPAs, from an estimated 110,000 businesses that are subject to one or more of the six elements of the Unified Program.

- **Office Of Legal Counsel And Criminal Investigations**

Criminal Investigations has 117 investigations in progress, and completed 58 investigations during the past fiscal year.

- **Administrative Services (1997-98 Fy)**

Over 25,000 EPA ID numbers were issued by DTSC. EPA I.D. numbers are issued to track generators, transporters and disposal facilities.

Nearly 900,000 hazardous waste manifests were processed by DTSC. (A manifest is a shipping and waste tracking document for hazardous wastes.) Over 1.4 million tons of hazardous waste was manifested during this period. This total represents the amount of hazardous waste which is generated, disposed or recycled in California.

## **Completed Quality Improvement Teams**

- **Brownfields Team**

Mission: To develop a policy on ways to return more contaminated properties, commonly known as Brownfields, to productive use. The team was chartered to produce a policy and model agreement with step-by-step procedures, provide information on various mechanisms available for addressing Brownfields and the pros and cons of Prospective Purchaser Agreements (PPAs) and reduce the cost, complexity, and protracted negotiations for both the Department and prospective purchaser.

Accomplishments: To date, two PPAs have been completed, producing the following results:

- reduced staff time to produce PPA by over 60%;
- remediation of sites;
- construction of 500 to 600 new apartments in an area short of housing;
- renovation of high vacancy rate shopping center;
- creation of 2,205 temporary construction jobs, and 325 additional retail and maintenance jobs; and
- retail sales of approximately \$75.7 million annually, which increases local sales tax revenues.

In addition to the points noted, there has been an increase in the use of other mechanisms to develop contaminated property, the policy reduced the elapsed time to produce an agreement, and reduced the research time for stakeholders to identify mechanisms for redevelopment. The State Water Resources Control Board used this PPA policy as a model for their own; and have completed several agreements.

- **Certified Unified Program Agency (CUPA) Process Review Team**

Mission: To develop an effective review process to implement a new law requiring a unified hazardous waste and hazardous material regulatory program to be administered by local agencies. The statute required review of

applications by a firm deadline.

Accomplishments: The team developed a detailed review process and time line, a review manual with standardized letters; a process for identifying and resolving policy issues; and developed and provided training for applicants, the local agencies and the reviewers. These tools enabled them to complete reviews of all 97 applications by the deadline. In addition, they were able to forge partnerships with the local agencies and other impacted state agencies while mired in applications.

- **Grant Administration Team**

Mission: To improve the DTSC administration and management of federal grants. Lack of coordination of federal grants between the programs and administrative functions such as budgets was causing problems with budgeting, cost accounting, billing and timely approval.

Accomplishments: The team established a federal grants management and coordination policy for the department, which included information on identifying grant opportunities, review and approval process for grants, tracking and reporting, process for effectively coordinating between the programs and the administrative functions, and a flow chart of how the process should work. The advantages of developing this project through a cross functional team were immediately evident as each member learned about the impact of their actions on other functions. The implementation of the policy has reduced rework, and resulted in more accurate initial budgets and employee time reporting.

- **Environmental Data Quality**

Mission: To improve the quality of environmental data which is used for decision making. This includes improving the quality of field sampling and field measurement; improving laboratory services; and improving the ability to detect, investigate and prosecute laboratory fraud. Inaccurate or fraudulent data can impact taxpayers, and communities if it results in delays in clean-up work, and duplicate work and expenses.

Accomplishments: A cross-departmental, multidisciplinary team was convened. It was comprised of representatives of different state departments, as well as the federal Environmental Protection Agency and a laboratory association. Members were chemists, toxicologists, geologists and engineers. They evaluated information and practices related to environmental data quality in the departments to determine the appropriate recommendations. The result is a comprehensive list of recommendations to address the scope of issues, ranging from methods of improving sample collection and analysis, to development and use of data standards. The

results of the team were conveyed to the participating departments.

- **CUPA Oversight Process**

Mission: To contribute to the effective implementation of the Unified Program through appropriate review of CUPAs relative to established performance standards; and continue and enhance partnerships with CUPAs.

Accomplishments: The team included a representative of the CUPAs so they could ensure their discussions and recommendations reflected input from the CUPAs. In addition, the Unified Program Agency Advisory Group was regularly briefed on the process, and their comments and concerns were considered. The team developed and piloted evaluation standards and a review process including a guidance manual, compilation of existing statutory and regulatory requirements, and a self audit model. The team refined the process based on their experience conducting the pilot evaluations. Evaluation staff from DTSC, the State Water Resources Control Board, and the Office of Emergency Services were trained on the evaluation process in August. Evaluations commenced in September 1998.

## Teams In Progress

- **Data Quality System Implementation**

Mission: To implement the recommendations from the Environmental Data Quality Team (described above), including determining which specific recommendations are relevant for which programs within DTSC.

Accomplishments: The team has reviewed the recommendations and determined:

1. Where regulations are needed,
2. The training needs, and
3. Resources needed for implementation in terms of person/year and contract money.

- **Reimbursement Process**

Mission: To propose policies and procedures for DTSC to identify and define reimbursement activities and determine a more consistent process to improve the administration and management of reimbursement and cost recovery procedures.

Accomplishments: A draft guide has been developed, refinements to be completed soon.

- **Improved Project Management**

Mission: To develop recommendations on a consistent process to ensure project managers and support specialists can work efficiently and cooperatively to complete projects.

Accomplishments: This team surveyed project managers and support specialists (consulting specialists such as toxicologists, geologists) to determine what they perceived as impediments to more effective and cooperative project management, as well as feedback on what was already working well. Based on this input, and the knowledge and experience of the team, recommendations were drafted to address the most common and critical issues raised. The team will be sharing the draft recommendations with staff to solicit feedback, then the recommendations will be reviewed by executive staff.

- **Recognition Team**

Mission: To enhance the recognition program in DTSC; and to align the program with quality principles.

Accomplishments: DTSC has enhanced its Recognition Program with events which highlight the accomplishments of the organization as a whole, as well as teams, to complement the existing awards for individuals. The events have built the staff's knowledge of the functions of the organization, the appropriate people to contact on specific issues, how programs can coordinate more effectively, and new program policies or functions.

- **Complaints Response**

Mission: To propose improvements in policies, procedures, guidance and training for the Compliance Division's complaint response activities, which will enable the department to more effectively respond to complaints received regarding hazardous waste dumping or disposal.

Accomplishments: In order to determine specifically what improvements were needed in the complaints response process, the team initiated an exhaustive review of a large sample of the complaints filed in the offices, and the response documented. They completed a comparative analysis of existing processes in the regional offices. Based on the data from the review of complaints responses, the comparative analysis, and the team's diverse expertise, the team is drafting revised policies, procedures, guidance and training for staff to use in responding to complaints of hazardous waste disposal or dumping.

- **External Training**

Mission: To develop an ongoing communication network within DTSC to plan and coordinate training offered externally.

Accomplishments: Developing a draft issue paper with recommendations on a process to schedule and coordinate training provided to external stakeholders.

- **Regional Clerical Support Team**

Mission: To establish the framework to provide quality clerical support that meet the needs of the regional offices and their customers, and facilitates clerical staff career development.

Accomplishments: Five meetings have been held, the team charter developed and signed. In August 1998, a survey was conducted of all regional staff using two different formats - one survey was for nonclerical staff, the other for clerical staff. The nonclerical staff survey was intended to determine the level of customer satisfaction with clerical support from either administrative services clerical pools and/or program clerical staff in the regions, and to solicit recommendations for change. From clerical staff, the survey intended to elicit the level of their job satisfaction based on a variety of factors, and their opinion on how support could be improved. Data analysis of survey results is in progress. By January 1999, a final report with recommendations is scheduled to be completed for executive staff.

- **Toxic Improvement Procedures and Style Guide**

Mission: To develop procedures and a style guide for correspondence and reports issued by the Department of Toxic Substances Control. This guide will be used as a resource when determining how to format documents. The guide will also include formats for Cal/EPA - issued documents.

Accomplishments: The team has developed a draft guide and is in the process of fine tuning the sections. The guide will be pilot tested before it is distributed department wide.



## Integrated Waste Management Board

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- Mission** Our mission is to reduce the generation and improve the management of solid waste in California to conserve resources, develop sustainable recycling markets, and protect public health and safety, and the environment. We do this in partnership with public agencies, industry, business, and the public we serve.
- Vision** The Integrated Waste Management Board will be the recognized national and international leader in the integrated management of waste and recovered materials to best serve the public, the economy, and the environment of California.
- Overview** The Integrated Waste Management Board is overseen by a full-time, six member Board. This body is vested with policy-making and regulatory authority to ensure a reduction in the quantity of waste generated and disposed in landfills, and to ensure compliance with environmental regulations. The Board's dual mission is to reduce the amount of waste disposed of in landfills by 50 percent by the year 2000 and to manage the remaining 50 percent being disposed in an environmentally safe manner. In meeting the 50 percent diversion mandate, the CIWMB's challenge is to help transform California from a wasteful society to a resourceful one. The Board must facilitate the collection of recyclables and the development of markets for these recyclable materials. The basis for this effort begins in a state directed and locally managed planning process. This process identifies the actions that local government must take to ensure the collection of materials and its processing into value-added commodities that can re-enter the economic mainstream as recycled content products or as newly useful material (e.g., compost).
- The CIWMB partners with 531 jurisdictions throughout the state to build these local action plans. After plans are locally initiated, listings of programs implemented and their results are reported annually to the Board. After evaluation, for local governments that are not reaching the goal despite good faith efforts, significant CIWMB assistance is provided to help improve and implement their plans. Staff works with these partners to build on effective programs and modify those that fail to divert desired quantities of waste.
- The CIWMB also partners with 58 Local Enforcement Agencies (LEAs), through a certification program, to regulate and improve the environmental performance of waste management facilities. These facilities include

landfills, transfer stations and diversion facilities such as composting and material recovery facilities handling materials that are part of the 50 percent diversion goal. In addition, even when California meets its 50 percent disposal reduction goal, another 50 percent will remain that must be safely handled and disposed. This waste goes to a landfill, either directly or through a transfer/processing station. So, whether it is a diversion facility or disposal facility, the Board and its local enforcement agencies strive to make certain it is operated in an environmentally safe manner.

Three line divisions perform the front line work in achieving the CIWMB's mission:

The **Diversion Planning and Local Assistance Division** oversees and assists local governments in designing the best mix of diversion programs to meet the 50% mandate, based upon the characteristics of the local waste stream.

The **Waste Prevention and Market Development Division** is organized to develop tools and provide assistance on methods to reduce the amount of waste being generated and to develop new markets for recycled materials and expand existing markets.

The **Permitting and Enforcement Division** is responsible for managing the regulatory structure for solid waste facilities.

The following division and offices support the three line divisions described above:

- **Administration and Finance Division**
- **Legal Office**
- **Legislative and External Affairs Office**
- **Office of Organizational Effectiveness**
- **Policy and Analysis Office**
- **Public Affairs Office**

**Locations** The CIWMB is headquartered in Sacramento and has one satellite office in Fullerton.

**Staffing** The CIWMB currently has 425 total positions, which include accountants, budget analysts, business service specialists, clerks, engineers, economists, geologists, information management specialists, librarians, scientists, and trade specialists.

## Integrated Waste Management Board

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### Customer Focus

- **Customer Group Identification:** The Board's Strategic Plan and its focus on four priority areas has identified the customer groups specific to its dual responsibilities as detailed below:
  - Five hundred thirty one (531) local government representatives are partners in the design of our regulatory activities as well as customers for our loan, grant, information, assistance and recognition programs. Thousands of commercial/ industrial businesses, who are waste generators and manufacturers, and/or users of recycled content products, are customers for our loan, information, assistance and recognition programs. One hundred fifty (150) State agencies are subject to regulatory requirements regarding recycling and use of recycled content products and are also customers for our information and assistance services.
  - Regulation of the operation of landfills and some recycling facilities, and the clean up of illegal and abandoned household and used tire waste sites. Fifty-eight (58) Local Enforcement Agencies are our partners in developing regulations and in conducting oversight activities. They are also customers for our information and training services. Hundreds of public and private solid waste operators are subject to our regulations and are our partners in the development and implementation of those regulations. Numerous contractors are our partners in the clean-up of waste sites.
- **Customer Input on Program and Policy Development:** When the Board modifies or creates a new program, regulation, or service, several methods are used to communicate with interested parties. A more formal process is initiated by inviting relevant government agencies and businesses, business associations and affected parties to participate in regional interactive workshops where input on the development of policy, regulations or programs is sought. Board staff then produces draft documents that are disseminated to all parties for further comment. Based upon the comments received, staff modifies the draft documents and these, along with interested party comments, are heard at public Board meetings until outstanding issues are resolved and the Board votes to adopt a final resolution. Results of this process are conveyed in writing to the affected parties, as well as through newsletters, the CIWMB Internet site, and where appropriate, press releases.

One third of staff have been trained in “interest-based conflict management” in order to help facilitate the resolution of conflicting interests during these deliberations.

- **Customer Satisfaction Efforts:**

- **Customer Satisfaction Training:** All staff have attended “customer service” training, which focuses on methods to build improved service relationships with customers. To date, twenty-five staff have taken a “customer satisfaction” class which teaches methods to identify and meet specific customer requirements.
- **Customer Feedback:** As a public agency with an appointed Board, customer concerns are taken very seriously. For example the Board established an ombudsman program through which customer questions and concerns can be brought to the attention of management or the Board for resolution. Each program has also developed its own means of generating and responding to customer feedback using various listening posts. Annual conferences, quarterly regional customer roundtables, interested party meetings, formal advisory committees and twice-monthly Board meetings give customers the opportunity to express their opinion on how well the Board is performing in any particular area. Also, staff attend local task force meetings to hear from local governments and to solicit suggestions on how to improve our processes.
- **Customer Service Survey:** The CIWMB uses a standard customer service survey form developed by Cal/EPA to evaluate Board assistance efforts. This form has provided feedback on a limited set of service dimensions including timeliness, accuracy and quality of service. In addition, several program areas use customized survey forms to receive pertinent feedback relative to the specific products and services offered to their customers.

## Strategic Planning

- **1997 Strategic Planning Process:** In 1996, a core team of management and staff was charged with the task of formulating a collaborative process that would align the Board's Strategic Plan with internal and external input and ensure that all staff from the organization participated in its development.

A larger strategic planning team was formed to take staff and management through the development of internal/external assessment, mission & vision, values, goals, objectives, strategies & performance measures, action plans, and monitoring & evaluation. As each element of the plan was developed by the Strategic Planning Team, it was presented to the Board in a public setting for review, comment and formal adoption. All internal and external

stakeholders had the opportunity to provide feedback both in the development and during adoption phases. Once the plan was finalized in June of 1997, copies were provided to key stakeholders and to all staff and the plan was placed on the Board's Internet site so that any interested party could access it. More importantly, however, the plan has become the primary document for how the Board's work is prioritized, planned and assessed.

- **Life Cycle Planning Model:** The 1997 Strategic Plan directed Board staff to conduct a program evaluation, which was completed in July and August 1997. Through the evaluation, information was obtained regarding the effectiveness and usefulness of each of the Board's programs. It was determined that focusing on a few critical areas in order to enhance performance was necessary. This realization led to the development of a planning tool, which is a model for organizing Board workload. The model consists of the following stages: 1) analysis and development 2) integrated strategy development 3) board implementation priority 4) maintenance 5) sunset and 6) support activities. The organization of this workload model anticipated a "life cycle" through which program work flows from inception to maintenance, sunset or transfer of a program's effectiveness, completion of their objectives or goals, or transfer of responsibility to another organization.
- **21<sup>st</sup> Century Policy Project:** The Board is in the process of planning and implementing a 21<sup>st</sup> Century Policy Project to address future, longer range goals and objectives. The purpose of the 21<sup>st</sup> Century Policy Project is to bring all interested parties together to form a new consensus for the future of solid waste management in California. Under the Board's leadership, the most current information from within the nation and around the world will be gathered and circulated in order to stimulate fresh thinking. Incorporating this information into our strategic thinking will enable the CIWMB to build on the successes of the last decade in protecting the health, safety, environment, and economic well being of future generations. In order to accomplish this, the Board will conduct an Issues Conference in the spring of 1999 with participation from all interest parties and stakeholders for the purpose of framing potential policy issues for the next century. Through a follow-up Future Search Conference, the Board will further focus the issues identified and develop potential strategies for implementation in the future.

## Process Management

- **Identification of Product and Service Processes:** Most policy or process issues are identified by customers and stakeholders at Board meetings and through Board Member, Executive Director, and Executive Team discussions. Several programs conduct annual or biennial conferences with their customers to obtain feedback on existing processes, products and services, in order to identify upcoming issues.

- **Management of Processes:**
  - **Team Approach:** Once issues are identified, staff does an initial assessment to prioritize them. For key issues, staff, customers and stakeholders identify options to resolve the issue. In many cases, a team that represents all the interested parties (internal and external), is established to assist in the design of the product or service and its cost effective delivery. Formal feedback from a broad range of stakeholders after the service design is also a part of this process, either through submission of the proposals to interest groups or through presentation at a Board meeting.
  - **Public Hearings:** Written proposals for products and services are brought to the Board for decisions at public hearings wherein all interested parties have an opportunity to review and comment on the proposals. As this approach to incorporating customer feedback into product development and delivery has been refined, the number of public hearings on a particular product or service has decreased over time.
  - **Post-Delivery Feedback:** After the Board-approved product or service is delivered, feedback is obtained most commonly through discussions with customers. Several programs have a formal, annual process for obtaining feedback from customers that is then used to improve the program for the following year. Feedback that identifies major issues is brought back through the product development process to resolve the issues or improve results.
- **Management of Support Processes:**
  - **Internal Customer Feedback:** The Board's administrative or support service processes are primarily determined by outside control agencies. However, within these guidelines the Administrative Services Staff undertakes such system improvements as can be achieved while still operating under the guidelines. Recently, administrative processes were reviewed using a boardwide customer survey, to determine if the key requirements of the customers had been met. Results were used to determine which processes require improved methods for delivery.
  - **Web Sites:** The dissemination of information to internal and external customers and partners is critical to the mission of the Board. The Board employs a systematic process to deliver information to the Board's partners through its web site. This involves the use of both Internet and Intranet web pages. Most of our over 400 publications can be directly downloaded from the Internet and several interactive databases are also available.

## Human Resources Focus

- **Work Systems:** The Board's strategic priority areas drive the way work is organized. These priority areas are directed by cross-divisional teams representing all affected programs. Success in the identified measurable outcomes for each priority area is dependent upon collaboration among all Board programs. As a result, two line divisions have transformed their functions based upon forecasted plan outcomes and customer requirements. The Permitting and Enforcement Division reorganized its functions in alignment with the requirements of their plan and the needs of their primary customers for improved service. Due to their plan implementation, the Diversion, Planning and Local Assistance Division has added a direct customer assistance function to the document review mission of its Office of Local Assistance.
- **Employee Recognition:** In the area of recognition, an employee-run "Kudos" program in which messages of appreciation are conveyed over electronic mail from one employee to another is popular. In addition, employees and work teams receive recognition from Cal/EPA for superior levels of customer service and technical assistance. Our divisional deputy directors recognize high performing employees and work groups during individual division and branch meetings, as well as individual employee recognition through electronic mail and one-on-one conversations with the employee.
- **Employee Education, Training and Development:** Executive management sees the key to achievement of the Board's vision in its ability to share information and provide technical assistance to its customers, as well as provide training as a core process. In support of this vision, the Integrated Training Team was formed to improve the training needs assessment process. A preliminary cycle of improvement was achieved by linking training to the Board's strategic priority areas and core processes. In the second cycle of improvement in 1998, executive and mid-level management began to work directly with staff in assessing training needs to support the strategic priority areas, as well as operational priorities, career development, and upward mobility. The Office of Organizational Effectiveness was created in 1998 to support these changes in training, as well as to provide quality improvement and consultant services that improve individual and work group performance in support of program business goals.

The focus of the employee-training program now emphasizes courses on process improvement, interest-based conflict management, and customer satisfaction in addition to programmatic technical needs, which was the primary focus of the program in the past. This shift is intended to support a broader cultural transformation to a more customer-focused organization.

- **External Customer Training Programs:** The Board has an external customer training program focused on its market development, and permitting and enforcement customers. Employees collaborate with these customer groups in the assessment, curriculum development and delivery of training. Oftentimes, courses are co-facilitated by Board staff and customers, with the classroom participants composed of the same. The result has been both mutual skill development and enhanced relationships.
- **Employee Well-Being:** The Board has developed a voluntary health promotion program to provide employees, healthful physical and mental activities. A Wellness Coordinator has been designated to administer the program and has conducted a needs assessment of employees. Another support area is the board's long-standing participation in the state's Employee Assistance Program. Professional assistance on a variety of personal matters is available at no charge up to three uses per fiscal year. Program data reported over the last three years reflects that employees use the service mainly for personal or family issues rather than job related concerns.

## Leadership

- **California Quality Award:** The Board submitted an application for the first level of the California Quality Award in 1998. This application process provided a straightforward, self-assessment method to apply the seven categories of the Malcolm Baldrige National Quality Award criteria against the organization's current performance.
- **Public Hearing Process:** Because the Board makes its policy decisions at twice monthly public hearings in which customers and interested parties participate, Board products and services incorporate customer input in both development and improvement phases. This process is used in the development of both regulatory and non-regulatory policies.
- **Priority Area Teams:** As an outgrowth of the strategic planning process, four strategic priority areas were selected, three of which are directed at the goal of 50% reduction in waste disposal by 2000 and one at improving the performance of waste disposal facilities. All work devoted to these priorities is directed by cross-functional teams, and an Executive Team member or senior manager. The teams developed plans with measurable outcomes for each priority area, involved stakeholders in the review of the plans, and negotiated the delivery of the resources and services necessary for implementation from each of the Board programs. The Executive Team redirected existing resources from lower priorities and has directed over 80% of its new resources to these efforts.



- **Program Integration Plan:** The Executive Team, in March 1996, sponsored an initiative to break up “silo thinking” and more fully integrate programs across the Board. A cross-functional workgroup was commissioned to conduct an organizational assessment to determine how the organization could most effectively integrate its programs. The result was the Program Integration Plan, a report published in late 1997 that made recommendations designed to break down barriers and strengthen cross-divisional communications, teamwork, and overall leadership of the organization.
- **Leadership Development System:** Currently, a cross-divisional team of managers and supervisors are facilitating the design of a leadership development system. Components of this system include the development of core leadership competencies with an eye toward integrating those competencies into recruitment, selection, training and development, evaluation, promotion, and transition, as well as an assessment method for establishing a baseline measure of current leadership competency.
- **Community Responsibility and Citizenship:** The Board participates in the United Way Campaign, supports a monthly food drive through which 5,112 pounds of food were donated in 1997, as well as participates in a quarterly blood drive, winter coat and blanket donations, the Juvenile Diabetes Walk, the American River Cleanup and a number of organized runs and walks for various causes. Board staff have also forged a strong partnership with a local elementary school where 45 staff tutor students and assist with work in the school’s library.

The CIWMB staff exhibit personal concern for the environment through their daily actions. The Board has become a role model for other agencies and businesses in the reduction and recycling of office materials. Through the efforts of a Waste Reduction Committee who is responsible for educating staff on waste reduction and providing the infrastructure needed for effective recycling, the amount of waste generated has fallen from 1.15 pounds per person in 1992 to 3.43 ounces per person in 1997.

## Information and Analysis

- **Selection and Use of Data:** The CIWMB collects, manages, analyzes and uses information and data in five areas:
  - Informational and planning databases are created for, and used by, both Board staff and its primary business partners for planning purposes.
  - Data related to partners, their actions and plans including recycling, waste reduction efforts and results, waste facility health and safety, certified

waste tire haulers, used oil recycling centers, and description and program characteristics for each of the forty Recycling Market Development Zones.

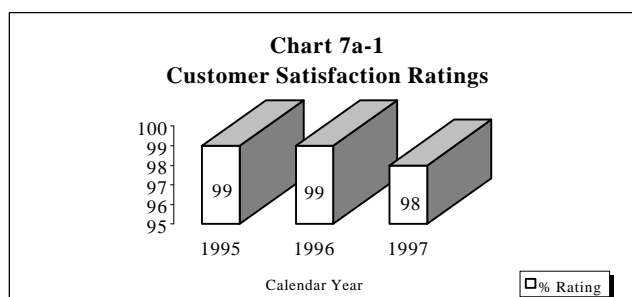
- Operational databases are those that provide information related to the effectiveness of program activities. The Board has initiated a training program focused on the measurement of performance and a requirement to develop performance measures for each program area. This effort should lead to significant improvements over the next six to twelve months in the quality and quantity of program effectiveness information collected and utilized in the organization. In those instances where adequate data is available for review and assessment by the Executive Management Team, it is incorporated into the decision-making process.
- Financial information is collected relative to such functions as income, tire and oil fees, grants and loans to partners, used oil disbursements, clean-up costs and budget expenditures.
- Customer satisfaction information. The CIWMB provides many opportunities for customer contact and feedback. One way is by gathering customer comments on customer service surveys that can be either mailed to Cal/EPA or entered via the web-based online survey. In addition, various program groups within the organization also survey their customers to determine areas where services and processes are effective and areas where improvements are needed. Customer feedback was used to improve the Local Assistance Program by streamlining reporting mechanism, and enhancing the Used Oil Program to target customers most likely to recycle their oil.
- **Benchmarking:** As a government entity, there are areas in which comparisons with other agencies can be made. The Used Oil Program recently began to establish benchmarks and performance measures for its grant program based upon comparison of staffing levels and business processes in use at other state and federal agencies with grant programs. The Solid Waste Site Cleanup Program does not perform ongoing comparative analyses but did evaluate other programs when initially establishing its business practices. As a result, program management learned from experiences of others and adopted approaches which expedited cleanup efforts while ensuring adequate levels of environmental and health and safety protection.

The Permitting and Inspection Program participates in an annual Cal/EPA enforcement seminar, which provides an opportunity for comparison with other agencies that also have inspection responsibilities. The Organic Waste Prevention Program also makes a focused effort to keep abreast of the activities and advances occurring in other jurisdictions throughout the country.

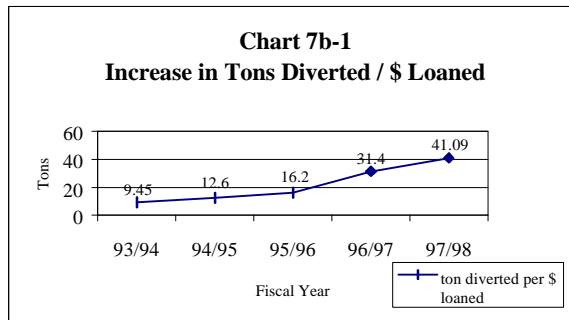
- **Analysis and Review of Performance:** As part of the 1997 Strategic Plan process, the Board evaluated the gap between our partners' expected performance in both waste disposal reduction and facility health and safety. The two highest waste material areas (organic, and construction and demolition waste), which collectively accounted for over 40% of the remaining waste stream, were selected for Priority Area Team action.

## Measurable Results

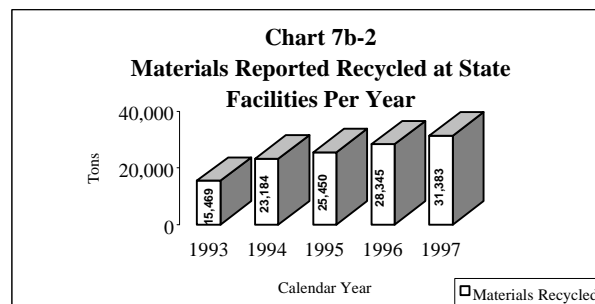
- **Customer Satisfaction Results:** The following data is derived from the Cal/EPA customer service survey. The survey asks our customers to rate their level of satisfaction with specific aspects of our service. The overall level of satisfaction has remained relatively constant over the past three years (Chart 7a-1).



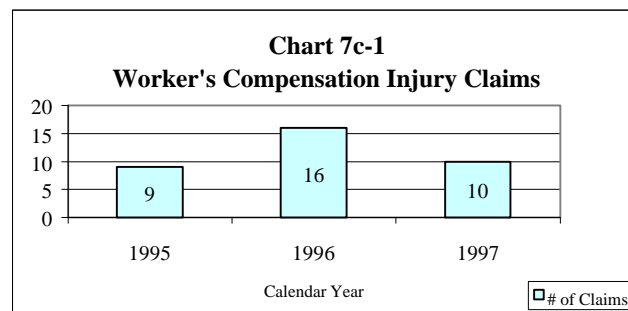
- **LEA Performance Evaluation Process:** In the area of customer satisfaction with the Board's LEA performance evaluation process, the Board has completed one evaluation cycle. Survey results identified an overall rating of "good". The areas evaluated include the overall process, evaluation report and work plan monitoring. Rating scale: 4=Excellent, 3=Good, 2=Fair, and 1=Poor.
- **Financial and Market Results:**
  - **Recycling Market Development Zone Loan Program:** Overall, this chart identifies the return on investment from the Recycling Market Development Zone (RMDZ) loan program. The data shows the increase in the number of tons of waste diverted from landfills for each dollar loaned to recycled product manufacturers statewide (Chart 7b-1).



- Project Recycle:** Project Recycle is the California State waste reduction and recycling program administered by the CIWMB to reduce the amount of waste State facilities generate and dispose of. This chart identifies a trend in increased tonnage amounts recycled at State owned or leased facilities over the past five years (Chart 7b-2).

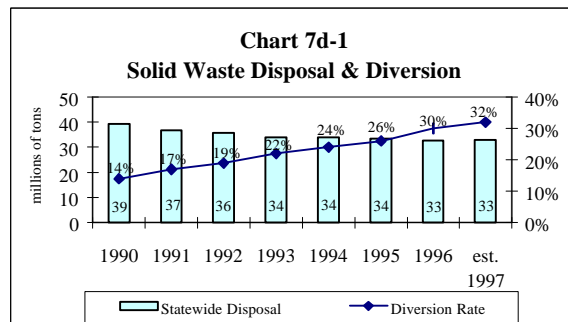


- Human Resource Results:** Through programs ranging from career development to employee safety and wellness, the CIWMB values its employees as its greatest asset. Results of a recent survey of employees indicated that the overall level of job satisfaction and well being is at a level of 3.7 on a 5-point scale with 5 being "very satisfied". In addition, the Board, through its health and safety promotion efforts, has been successful in reducing the number of worker's compensation injury claims as is reflected in Chart 7c-1.

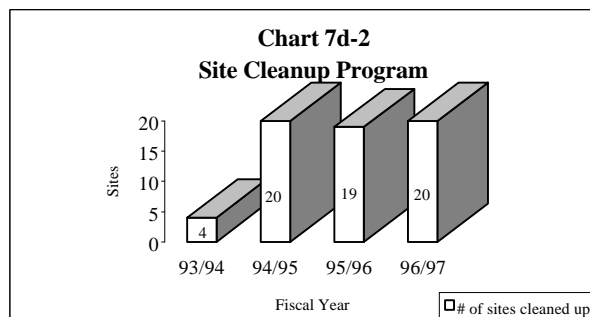


- **Supplier and Partner Results**

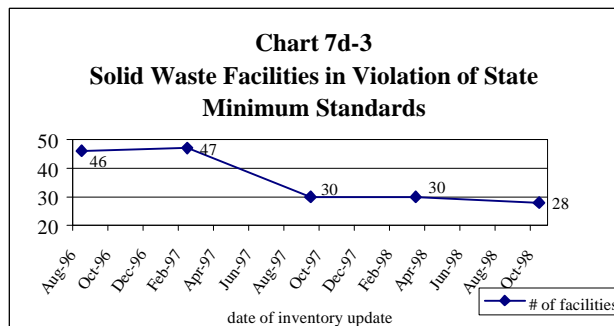
- **Solid Waste Disposal and Diversion:** Chart 7d-1 identifies both the tons of solid waste diverted (in millions of tons) from landfills as well as the overall diversion rate for the past eight years through the various waste diversion programs administered by the Board. These results are significant as each county and city are responsible for diverting 25 percent of their solid waste by 1995, and 50 percent by 2000.



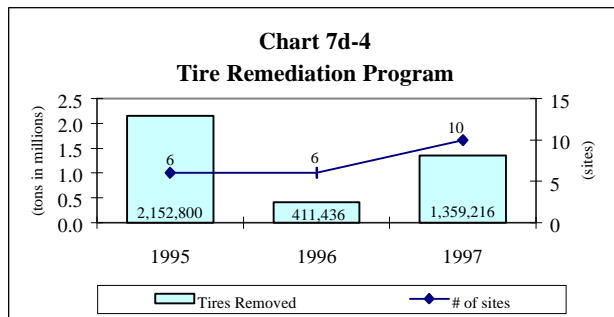
- **Site Cleanup Program:** This chart identifies the number of solid waste disposal sites cleaned up over the past four years and since the inception of the Solid Waste Disposal and Codisposal Site Cleanup Program. Eligible sites include those where the responsible party either cannot be identified or is unable or unwilling to pay for timely remediation and where cleanup is needed to protect public health and safety of the environment (Chart 7d-2).



- **Solid Waste Facilities in Violation of State Minimum Standards:** The number of solid waste facilities in violation of state minimum standards has declined since the inventory was initiated in April 1996 using the current method of tracking. Currently, the facilities on the inventory are targeted for more intensive state oversight. In addition, technical assistance is being offered to LEAs in attempts to accelerate the correction of violations (Chart 7d-3).



- Waste Tire Stabilization and Abatement Program:** Since 1994 the CIWMB has allocated \$4.9 million for its waste tire stabilization and abatement program. Of this amount, over \$2.6 million has been spent on the cleanup of nearly 5 million tires at 26 sites around the state. This chart reflects results for 1995-1997 (Chart 7d-4.)



- Internal Operational Results:**
  - Internal Process Improvement:** The Board's Administration and Finance Division conducted an internal customer service survey in early 1998 in an effort to identify potential process improvements among the services the division provides. As a result, process improvement plans are being made to address issues raised through the survey process.
  - Automated Agenda Web Document System:** The CIWMB instituted a Board Agenda Web Document System this year, which is an automated system used to centralize all Board meeting information including meeting schedules, agenda titles, and agenda documents in a web-accessible

database available to all Board staff and the general public. Formerly, the Board's agendas were developed and distributed through a resource intensive process. It is estimated that up to approximately \$10,000/year in mailing and reproduction costs will be saved with the automation of this process. Providing an alternative to paper copy will help the Board reduce the amount of paper generated.

- **Targeted Assistance to External Customers:** Earlier this year, the Local Government Diversion Assistance Priority Area Team began implementing plans within various program areas to impact the number of tons of waste diverted from landfills through, in part, greater assistance to local jurisdictions. CIWMB staffing and resources are now focused on targeted cities diversion, but willing to increase diversion efforts. The targeted cities and counties are receiving customized assistance. It is projected that each jurisdiction will have received the appropriate assistance by January 1, 1999, and 70 percent will have full access to information on the CIWMB's web site by that date as well. Cities and counties either at or on track to reach 50 percent are being encouraged and supported, and will serve as "best practices" models for other communities to use in increasing their own diversion rates.
- **Web Sites:** The development and use of the Board's Intranet and Internet web sites has increased significantly over the past year. In June 1997, the two sites received approximately 30,000 hits. Today, the sites receive between 80,000-90,000 hits per month. These figures are significant as the Board's vision is to be the national and international leader in the integrated management of waste and recovered materials. A key to realizing this vision is our ability to develop and distribute information within the organization and to our external partners. The Internet and Intranet have proven to be useful in communicating our message and distributing information formerly less accessible.

## **Integrated Waste Management Board Teams**

- **Local Government Diversion Assistance Priority Area Team**

Description: The Integrated Waste Management Board (IWMB) recognizes the critical role California's 535 cities and counties play in achieving 50 percent solid waste diversion from landfills by the year 2000. With that in mind, the CIWMB established the Local Government Diversion Assistance Team in late 1997 as one of its four strategic Priority Area Team efforts.

Mission: The Local Government Diversion Assistance Team (LGDAT) is to prepare an integrated action plan to achieve significant and measurable results in the Board's efforts to improve local government diversion

performance though targeted Board efforts. The five primary components in achieving this goal are:

- Review local jurisdictions' progress reports to determine which need assistance and the types of assistance needed;
- Enhance CIWMB tools and assistance materials based on jurisdictions' needs;
- Provide customized assistance for targeted jurisdictions, beginning with those that are not on track to reach 50% diversion;
- Get all targeted jurisdictions on track to achieve 50% diversion by providing tools and assistance; and
- Reduce enforcement actions over time by providing up-front assistance rather than back-end enforcement.

Accomplishments: Staff of the Diversion, Planning, and Local Assistance Division (DPLA), Office of Local Assistance (OLA) is reviewing jurisdictions' reports. Concurrently with this effort, Targeted Implementation Assistance staff is working with seven pilot counties to assess their needs. Data from the Biennial Reports and the pilot counties will shape the customized assistance that jurisdictions will receive and the types of tools and assistance to be provided by OLA, the Waste Analysis Branch of DPLA, and other CIWMB programs. It's anticipated that all targeted jurisdictions will be on track to achieve their diversion goals and thus a reduction in enforcement actions should be realized.

▪ **Construction & Demolition (C&D) Priority Area Team**

Description: The Waste Prevention and Market Development Division's C&D recycling program aims to encourage maximum diversion of C&D materials. The program is an outgrowth of one of the Board's four strategic Priority Area Teams. In November 1997, the CIWMB identified C&D waste materials as one of the priority materials. A cross-divisional team developed the C&D Priority Material Performance Plan which contained two overall goals and an implementation schedule.

Accomplishments: Goal 1 of the Plan focused on outreach and assistance to two local governments to help them meet the year 2000 diversion goals by diverting C&D materials. Staff and a private consultant, in conjunction with two selected local governments, are to develop C&D diversion Regional Action Plans. Staff is nearing completion of preparation of a strategy for approaching local governments and assisting them in preparing the Regional Action Plans.

Goal 2 includes five outputs. Staff has formed a partnership with the State Contractors Licensing Board to address Output One which targets construction contractors by working through the Board to include waste diversion concepts in licensing exams. To address Output Two, staff has



developed a list of materials specifications to review with the intent of removing specification caused barriers to the use of recycled content building materials. Developing proposed language for C&D recycling ordinances is the focus of Goal Three and staff has surveyed local governments to identify communities currently regulating C&D. Output Four encourages the use of recycled content building products which staff has done through creation of a database and an ongoing search for new products to include. Output Five focuses on disseminating C&D reuse and recycling information through partnerships and cooperative partnerships have been established with the California Association of Homebuilders and the State Contractors Licensing Board.

▪ **Greening Priority Area Team**

Description: The vision of the Greening Team, commissioned in late 1997, is “a home for all compostable organic materials.” Five to seven million more tons per year of organic materials can be diverted from landfills by the year 2000 if this plan is implemented aggressively. To reach this plan’s goal, the CIWMB must engage in a focused effort that addresses the organics “system” in concert with major partners and provides sufficient financial resources for implementation. The six targets in this plan focus on major opportunities in the organics system as follows:

- Increase on-site management of landscape trimmings and residential food scraps by 1M tons;
- Decrease waste of commercial and institutional food by 0.3M tons;
- Improve feedstock quality to improve product marketability;
- Develop regulatory framework that protects public health and the environment and increases business opportunities;
- Increase procurement and use in landscaping by 1.5-2M tons; and
- Increase use in agriculture by 1.5-2M tons.

Accomplishments: During the first three months of implementation, a suite of contract concepts were approved that directly implement or enhance the performance targets. The CIWMB is working with industry associations to distribute quarterly surveys to obtain vital feedback. A grasscycling video is in production. Industry sector profiles were developed for grocers, restaurants, and state institutions. An issue paper addressing potential changes to the composting regulations is available for comment. The California Compost Quality Council has accepted the CIWMB's challenge to register an additional 30 compost producers. Cal Poly University, Pomona, has been contracted with to compile product specifications and arrange a workshop. Two partnership projects have been initiated: “Strawberry Fields Forever” will examine the use of compost/mulch as an alternative to methyl bromide and the Ventura Regional Conservation District is developing a specification for the use of compost/mulch for erosion control in citrus/avocado orchards.

- **Facility Compliance Priority Area Team**

Description: The mission of the team, commissioned in late 1997, is to improve compliance at solid waste facilities in California. To do this, the team's performance plan focuses on five specific areas for targeted improvement over the next 12 to 18 months. In the context of this plan, "improving facility compliance" refers to improving compliance with state minimum standards, permit terms & conditions, and any other statutory/regulatory requirements governing solid waste facilities -- for the purpose of both short- and long-term protection of public health, safety, and the environment. Five targets for improving facility compliance included in the plan are as follows:

- Develop and implement effective enforcement strategies for bringing illegal solid waste operations into compliance;
- Correct long-term violations at facilities on the inventory of "Solid Waste Facilities Violating State Minimum Standards";
- Revise outdated pre-1990 solid waste facility permits or pursue aggressive strategies for failure to update;
- Promote waste management and diversion strategies related to facility siting and infrastructure, permitting and compliance; and
- Promote the value of CEQA for creating good solid waste management projects.

Accomplishments:

- Four problem facility case studies have been identified and selected. Site backgrounds, photos, local contacts, and file reviews have been done for these facilities.
- Four facilities with long term violations have been removed from the Inventory so far leaving 21 remaining.
- Staff have updated 15 pre-1990 solid waste facility permits with 70 remaining.
- Issued LEA Advisory #50 regarding facility compliance issues/guidance on waste diversion
- Completed a October CEQA training workshop for LEAs and have a second workshop planned for November 1998.

- **The Integrated Training Team (ITT)**

Description: This team was created in support of the CIWMB's vision with a goal to create an integrated training system that supports the Board in partnering internally and externally among staff and its constituents. The team's mission was to examine the existing training system and to recommend improvements to this system and its processes.

Accomplishments: A preliminary cycle of improvement was achieved through the team's recommendation to require training to tie to the Board's strategic priorities and core processes. In the second cycle of improvement this year, executive and middle management worked directly with staff in the assessment of training needs to support the organization's strategic and operational priorities, and to provide career development and upward mobility opportunities. In addition, training needs are assessed throughout the year, and training deliveries in support of the strategic priorities are timed to occur just prior to or at the point of implementation of a key target or outcome. An area for improvement is in how the impact of training on performance and behavior is measured.

The aspect of the team's goal relating to external training was reassigned to the divisions. To date, the Market Development, and Permitting and Enforcement Divisions have developed constituent training programs where employees collaborate with these customers in the assessment, curriculum development and delivery of training. Courses are co-facilitated by Board staff and constituents, and the classroom participants are comprised of the same. The result has been mutual skill development and enhanced relationships.

- **Program Integration Team**

The Program Integration Team was commissioned in 1996 to develop a plan for the purpose of institutionalizing a participative planning and operating framework that would enable and encourage the Board and its staff to:

- Consistently communicate program information internally in order to more effectively coordinate Board efforts;
- Continue to build a customer focus into the way the Board does business;
- Approach work more innovatively; and
- Routinely build collaborative work relationships with internal and external customers and suppliers.

To begin, the team facilitated all of the Board's programs in developing their respective mission statements. In addition, fifty workgroup interviews were conducted with all staff to assess the organization and impediments that could potentially impact achievement of the Plan's goals. The staff feedback resulted in a comprehensive "State of the Board" report that includes specific recommendations for creating the necessary organizational changes to meet the effort's goals.

Implementation actions have impacted the organization tremendously. Outcomes include:

- Increased channels of communication between programs;
- Increased use of cross-functional teams to address organizational priorities;

- Staff participation at all levels in developing the Board's 1997 Strategic Plan;
- A strategic plan that included a focus on program integration in its goals and objectives;
- Increased external customer satisfaction;
- Development of a unified organizational purpose and values;
- Establishment of the Office of Organizational Effectiveness;
- Use of performance measurement systems in key areas of the organization; and
- Evolution of a Leadership Development System including diagnostic assessment, an individual development planning process and related learning activities.

## Office of Environmental Health Hazard Assessment

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<b>Mission</b>	Protect and enhance public health and the environment by objective scientific evaluation of risks posed by hazardous substances.
<b>Vision</b>	<p>We provide the science today for a healthier environment tomorrow. By the year 2000, we should be able to say:</p> <ul style="list-style-type: none"><li>▪ Our leadership in developing multi-pathway, multi-media risk assessment methodology ensures that environmental protection efforts bring about the greatest benefit within the resources available.</li><li>▪ We consistently provide the best available science to support risk management decisions affecting public health and the environment.</li><li>▪ We are an internationally recognized authority on environmental risk science, and serve as the environmental risk science advisor for the State of California.</li><li>▪ We provide scientific leadership to continually improve California's ability to anticipate, prevent, and mitigate emerging environmental challenges.</li><li>▪ Our accomplishments improve the quality of life in California and leave the world a better place for our children.</li></ul>
<b>Overview</b>	OEHHA develops and provides toxicological and medical information relevant to decisions involving public health to risk managers in state and local government agencies. Although OEHHA does not promulgate environmental regulations directly, the scientific information it provides is critical to the establishment of those regulations. State agency users of such information include all boards and departments within Cal/EPA, as well as the department of Health Services, the Department of Food and Agriculture, the Office of Emergency Services, the Department of Fish and Game, and the Department of Justice. OEHHA also works with Federal agencies, the scientific community, industry and the general public on issues on environmental as well as public health.
<b>Locations</b>	OEHHA is headquartered in Sacramento and has one field office in Oakland (recently relocated from Berkeley.)
<b>Staffing</b>	OEHHA has 130 positions which are filled by highly trained and professional staff. About half of OEHHA's staff hold advanced degrees, such as doctoral and masters degrees, in medicine, science and/or public health.

## Office of Environmental Health Hazard Assessment

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### Customer Focus

- **Workshops/Meetings/Public Written Comments:** OEHHA strives to continually involve and gather feedback from its many customers, suppliers and stakeholders which include other California Environmental Protection Agency (Cal/EPA) boards and departments, other state, local federal government agencies, employers, environmental groups, research and academic institutions, and the community at large (customers).
- In accordance with regulatory process, public workshops were convened prior to the adoption of chemical risk assessment guidelines and policies for evaluating the toxicity of chemicals, and prior to the preparation of assessments of chemicals to be used in regulatory processes, such as the process to adopt public health goals (PHGs) for drinking water contaminants. The workshops provide opportunity for other scientists and interested parties to present alternative views, and to engage in general discussion with OEHHA scientists about the draft documents.
- The Emerging Environmental Challenges Program sponsored a public workshop at which more than 100 environmental professionals representing government, business and public interest groups participated in identifying potential future environmental issues that may face Cal/EPA and its boards, departments, and office in the next five to ten years.
- OEHHA permits and encourages the public and members of the Science Advisory Board (SAB) to provide input during the SAB meeting deliberations. Additionally, OEHHA permits customer recommendations for its public meeting agendas to ensure that the meetings properly allow for public input.
- On-going committees and partnerships with customers are established to increase public participation. One example is the Private Site Manager Advisory Committee which provided OEHHA's Registered Environmental Assessor (REA) program assistance and input with the program's strategic planning and development of REA regulations.
- **Implementation of New Technology:** OEHHA's use of internet and electronic mail has significantly improved communication with its customers in terms of access, timeliness and reduced costs.
- OEHHA's internet website provides customers ready access to OEHHA's scientific documents, risk assessment guidelines, procedures for listing

candidate chemicals under Proposition 65, public health information, legal notices, and general information about OEHHA and its programs. Draft documents such as draft data summaries and priority assignments for candidate chemicals under Proposition 65; draft documents for public health goals for drinking water contaminants; and draft regulations for the REA II program are also made available on the internet to further encourage public input prior to finalization of the documents.

- Electronic mail via the internet has enabled customers and staff to communicate more directly, to respond to customer concerns and requests more expediently, and to reduce the costs of postage and time lost in missed telephone calls.
- **Customer Surveys:** Customers are encouraged to provide feedback to OEHHA via the California Environmental Protection Agency (Cal/EPA) customer service surveys. OEHHA's Director and Chief Deputy Director review each survey received, and direct appropriate staff to respond to all questions, complaints or requests contained therein.
- **Focused Survey:** The REA Program designed and instituted a focused customer service survey seeking input on the quality, timeliness, and efficiency of the REA registration process. As with the Cal/EPA surveys, program staff respond to all appropriate concerns and needs identified.
- **REA Newsletter:** Customer focus is further accomplished by publishing a newsletter which is mailed to all REAs and distributed at all environmental conferences and trade shows attended by REA program staff. Areas of concern expressed in the customer surveys are often addressed in the newsletter.
- **Training:** All employees are encouraged to attend Cal/EPA's Customer Satisfaction and other quality process improvement classes to help them better serve internal and external customers.
- **Technical Conferences:** OEHHA encourages, and has attempted to send increasing numbers of scientists to technical conferences which function as continuing education to keep them informed of the latest information in the areas of toxicology, epidemiology and risk assessment. This is critical because other boards and departments, the public, and affected industries rely on OEHHA's evaluations of the risk of chemical exposure.

## Strategic Planning

- **History:** The strategic planning process was formally initiated in 1994 with the formation of a steering committee to oversee and guide the entire process, and a subcommittee to identify stakeholders to ensure that external

input would be received and utilized in developing the plan. Additional subcommittees were subsequently formed as needed to provide further definition to the various issues under discussion. Involvement of internal and external customers and stakeholders was key to the initial planning efforts. Internal customers (all OEHHA management and staff) responded to a confidential survey and participated in periodic planning meetings and focus groups. External customers and stakeholders, representing the Governor, legislature, environmental and industrial associations, and other government entities, participated in one-on-one interviews to provide their perceptions of OEHHA's major challenges and opportunities. By 1996, OEHHA had finalized its vision and established the goals and strategies for accomplishing its mission.

- **Today:** OEHHA's strategic planning process is on-going and continues to utilize input from all staff, Cal/EPA, its boards and departments, and the Risk Assessment Advisory Committee (RAAC) to help set the direction and focus the work necessary to accomplish its mission. (The RAAC, which was comprised of distinguished scientists not employed by the agency boards, departments, and offices, was convened by OEHHA pursuant to Health & Safety Code, Section 57004, to conduct a comprehensive review of the policies, methods, and guidelines followed by Cal/EPA boards, departments and offices for the identification and assessment of chemical toxicity, and to make recommendations concerning change to those policies, methods, and guidelines to ensure they are based upon sound scientific knowledge, methods and practices.) The strategic plan is reviewed and updated annually to ensure that the activities of OEHHA sections, work groups, and individuals are aligned with overall organizational strategies, goals, and objectives.
- **Annual Workplans:** Aligned with the strategic plan, annual workplans outline specific work deliverables, completion timelines, and resource allocation. They are developed by all employees on an individual basis, and are reflected in unit and section workplans which are reviewed by the executive team. With staff participation, the executive team establishes work priorities which support attainment of the strategic goals and objectives.
- **Incorporating Quality:** Quality is also factored into the strategic plan by including continuous process improvement goals, focus on employee recruitment, retention and satisfaction, and by striving to identify those measures of performance which best indicate the organization's progress toward attainment of its goals.

## Process Management

- **Information Technology:** The single biggest element in improving the management of internal OEHHA processes has been the establishment of a Local and Wide Area Network. This has facilitated significantly improved



staff/management communication via internal electronic (e-mail), joint project reports, report tracking, and report review by internal and external reviewers. It has also allowed internet access for rapid retrieval of technical information and e-mail communication with outside scientists.

Development of an OEHHA website has greatly improved OEHHA's ability to provide rapid access to its scientific documents by other interested parties, and reduced the time and expense of providing paper copies. OEHHA's greater use of remote communication devices, including speakerphones, pagers, cellular phones, and laptop computers for e-mail has facilitated communication with staff in emergencies or while traveling, as well as decreased the need for staff travel between the two offices.

- **Recruiting:** An improved exam process was implemented for recruitment of qualified staff reducing processing time from an average of three months to approximately two weeks.
- **Contracting:** Internal contracting processes were improved following an exhaustive review of existing contracts and contracting practices, development and implementation of new contracting procedures, and delivery of training to appropriate staff. This resulted in a 50 percent increase in the timely approval of contracts.
- **Science and Technology:** To improve the level of harmonization within OEHHA, Cal/EPA, and with the United States Environmental Protection Agency (U.S. EPA), OEHHA is currently implementing U.S. EPA's 1996 Proposed Guidelines for Carcinogen Risk Assessment and has initiated a pilot project and a contract with the University of California at Berkeley to test and improve some of the weak points in the proposed guidelines. Improvements such as a consistent format and structure have been made in the consistency of technical support documents for drinking water public health goals (PHGs).
- **Peer Review:** Improvements in internal and external peer review have increased the quality and consistency of OEHHA risk assessment work products. A key element has been the public workshops mandated by SB1082 which allow scientists and other interested parties with alternative views to present them to OEHHA risk assessors and management before technical support documents and proposals are finalized. In some cases, outside parties have actually participated in OEHHA workgroups developing new methodologies such as those for exposure assessment and stochastic analysis. Peer review occurred for the OEHHA health assessment for inorganic lead by University of California scientists and is proceeding for the PHG documents.

- **Fee-for-Service:** By implementing the new fee-for-service process by which air pollution control districts are billed for risk assessment review under the Air Toxics Hot Spots Information and Assessment Act, OEHHA was able to reduce the cost of the review to many facilities and increase accountability of those fees. Under the new process, only those facilities that need risk assessment review will receive and be charged for the service, as opposed to the previous procedure of assessing and charging general fees to all facilities under the Hot Spots domain. Additionally, under the new process, facilities will be able to see specifically what work was completed and given an advanced cost estimate before work begins.
- **Meeting Facilitation:** OEHHA's executive staff have improved their meetings through the use of a facilitator which allows participants to focus on the issues under discussion, while the facilitator focuses on meeting process. Use of a meeting facilitator during the REA II regulation development process enabled the Private Site Managers Advisory Committee, other stakeholders and staff to accomplish a great deal of review, decision-making and recommendation in a very short period of time. Use of meeting facilitators and court reporters at workshops and scientific meetings helps ensure that the points provided are recorded while allowing staff to listen carefully to the comments and discussion at the meeting.

## Human Resource Focus

- **Valued Employees:** OEHHA values its employees and actively seeks their feedback on issues of concern to the organization through formal and informal meetings, one-on-one interaction, surveys, and electronic communication. Because of its relatively small size, senior management are able to personally interact and meet with employees on a frequent basis. OEHHA's director most vividly modeled this behavior when, immediately upon assuming office, she invited and began meeting with each OEHHA employee on an individual basis in order to learn about the employee's particular job, what he/she thought was working and/or not working, and to solicit suggestions for improvements in our processes. Many of those recommendations have been or are being implemented.
- **Employee Feedback Encouraged:** At senior management meetings, the Director routinely asks for feedback from her staff, and encourages them to do the same with their staff. Middle managers and supervisors are frequently included to further expand the opportunities for staff input and involvement in decision making. Off-site meetings which often provide an environment more conducive to the free flowing exchange of information among staff are occasionally held for both senior management, program specific, and department wide meetings. The exit interview process is also used by senior management to gather feedback from departing employees to gain what might be unbiased suggestions for improving the organization.

- **Resource for Improvements:** OEHHA depends upon staff to identify areas where process improvement is needed, to participate on quality improvement teams, and to recommend possible courses of action. OEHHA's technical staff participate in an extensive internal peer review process of scientific documents. This helps to ensure interested stakeholder input into the scientific products of the department. Staff are encouraged to attend training and professional conferences, participate in state committees/work groups, network with other professionals, and to share the ideas and knowledge gained from those activities.

## Leadership

- OEHHA's Director and senior management encourage and support continuous quality improvement through the allocation of resources for process improvement activities, such as development of the Website, approval of relevant training; public and personal recognition of staff efforts and accomplishments; sponsorship of, and participation in, quality teams; and implementation of staff recommendations.
- OEHHA's Director promotes and encourages open communication and trust by routinely sending department-wide, informal electronic mail informing staff of notable accomplishments of other OEHHA employees, upcoming events and challenges facing the department, and occasionally humorous comments on internal activities. Additionally, an open door policy makes access to, and interaction with, senior management readily accessible by all staff, and contributes to the building of relationships that further support and encourage continuous improvement.

## Information and Analysis

- **Survey Results**
  - OEHHA's general customer survey responses show that 97 percent of respondents view OEHHA staff as courteous and helpful, providing complete and accurate information, and doing so in a timely manner. This is meaningful because OEHHA's work often involves evaluation of some of the most complicated and controversial scientific issues.
  - A survey conducted at the conclusion of the Emerging Environmental Challenges Workshop indicated that 90 percent of the participants who responded indicated that the workshop had met their expectations, and 95 percent indicated that they had learned something from the workshop that would be useful to them professionally.

- A recent, focused survey mailed to approximately 875 Registered Environmental Assessors indicated overall positive satisfaction with the service provided.
- While OEHHA is pleased with the positive comments, we also pay close attention to the negative comments received because they point out areas where improvement is needed to achieve increasing levels of customer satisfaction.
- **Implementation of New Technology:** Although the actual improvements resulting from implementation of new technology are difficult to measure, OEHHA staff have realized significant savings in time and efficiency, as previously discussed under the above section on Customer Focus. One measure of improvement is the cost of postage. OEHHA believes that customer access to its documents on its Website has in large part contributed to the seventeen percent reduction in postage costs from fiscal year 1996-97 to 1997-98. Positive comments from customers, and increased use of Internet to access OEHHA documents and to communicate with OEHHA, indirectly indicate that customers are pleased with the advances OEHHA has made in this area.
- **Public Workshops:** Comments from participants at OEHHA's public workshops indicate that the workshops are an effective means of outreach to the community as well as a means of collecting valuable information. Many participants have expressed appreciation for the opportunity to meet face to face and dialog with OEHHA scientists about issues of concern. Since many of those issues are highly contentious, this interaction increases the staff's recognition of the public's concern and allows OEHHA to more fully understand and respond to them.

Many good recommendations, which are subsequently evaluated and implemented, originate in the interaction among OEHHA, its customers and other interested parties at public workshops. For example, three workshops were held in 1995 to identify and prioritize ecotoxicological issues among all stakeholder groups in California. Issues, opinions and recommendations were recorded during breakout sessions in all three workshops, and were collated and prioritized during the third workshop. Specific work products for the Ecotoxicology Unit in OEHHA are being developed based largely on these prioritized recommendations.

## Measurable Results

### FY 1993-94

Accomplishment: Publication of *Toward the 21<sup>st</sup> Century: Planning for the Protection of California's Environment*, May 1994

OEHHA accomplished the California Comparative Risk Project which also examined how economics, pollution prevention, environmental justice, education, and public participation contribute to environmental decision-making. The report compiled two and one-half years of work involving nearly 300 volunteers and the participation of many boards and departments in Cal/EPA and other state agencies into a readily accessible form. A non-technical guide for the general reader was also published.

Accomplishment: *The Toxicity Of Tear Gas Products*

OEHHA's Pesticide and Environmental Toxicology Section (PETS) supported the California Department of Justice in evaluating the toxicity of a new class of tear gas agents, the hot pepper sprays. This program, which required considerable literature review, toxicity evaluation, and contact with manufacturers of tear gas products, ended in January 1994 after passage of AB581 (Speier, 1993) to deregulate tear gas spray products.

FY 1994-95

Accomplishment: Released public review draft of *Air Toxics Hot Spots Program Risk Assessment Guidelines Part I: Technical Support Document for Determining Acute Toxicity Exposure Levels for Airborne Toxicants* January 1995

The passage of SB 1731 required OEHA to develop risk assessment guidelines for the Air Toxics Hot Spots program. This first document presented toxicity criteria for short-term exposure to 54 hot spots listed chemicals and allows the evaluation of short-term exposures from routine emissions from industrial sources.

Accomplishment: Issued *Fish Consumption Advisory for San Francisco Bay*

Following a preliminary review of data from the California Regional Water Quality Control Board, San Francisco Bay Region *Contaminant Levels in Fish Tissue from San Francisco Bay, Final Report*, OEHHA issued an interim advisory for consuming sport fish caught in San Francisco Bay. The advisory was issued along with fact sheets describing the study and information about the chemicals of concern in fish, a general brochure providing advice to fishers, and text for signs alerting fishers to the advisory. Some of these products were translated into five languages. OEHHA worked closely with the regional water board and DHS on this project, and in addition, formed an advisory group, the Education and Outreach Task Force on Fish Consumption and Fish Contamination Issues, to provide advice on education efforts. A detailed analysis and full risk assessment is in process.

Accomplishment: *Attorney General Support for Proposition 65 Enforcement.*

The Office of the Attorney General is charged with enforcing Proposition 65. OEHHA provides technical advice on issues such as the extent exposure results from product use, and risks associated with the exposure. Effective decisions by the Attorney General's Office lowers transaction costs by employers and reduces the opportunity for needless expenditures by the State, regulated community and public interest groups.

#### FY 95-96

Accomplishment: *Final Report: Final Addendum Health Risk Assessment of Ambient Fugitive Vinyl Chloride Emissions from the Class I Unit of the BKK Landfill, West Covina, California, April, 1996.*

BKK is a superfund landfill contaminated from chemical disposal. Several homes surround the landfill and many abut right on the property line. This report updated and reanalyzed exposure and health risk information from an earlier report released in December, 1990. Conclusions of the report indicated that a resident exposed to vinyl chloride levels measured in the community likely had an increased risk of getting cancer, but that the risk was still very low.

Accomplishment: *Ecotoxicological Risk Assessment Public Workshop Series*

OEHHA conducted a series of public workshops to obtain recommendations on the content of the guidelines, how they should interface with Federal guidance documents, and other issues related to the guidelines development. The recommendations were summarized in the 1995 document Ecotoxicological Risk Assessment Public Workshop Series: Workshop Summaries.

Accomplishment: *Ecological Risk Assessment Review*

The Ecotoxicology Unit has also provided reviews of ecological risk assessments submitted to, or conducted by, Cal/EPA Boards and Departments. Ecological indicators can be used to predict long term water quality. During 1995, documents relating to development of water quality criteria were reviewed at the request of Central Valley Regional Water Quality Control Board (Region 5). Ecological risk assessments for hazardous waste sites were also reviewed from 1996 to 1998 at the request of the Department of Toxic Substances Control. Additionally, the Unit has participated in reviews of documents produced by the USEPA Region 9 Biological Technical Assistance Group; a group of federal and state agency representatives convened to coordinate regional ecological risk assessment efforts.

## FY 96-97

Accomplishment: Final draft of the *Proposed Identification of Lead as a Toxic Air Contaminants. Part B: Health Effects Assessment of Lead.*

The evaluation of the health effects of toxic air contaminants is conducted by OEHHA upon request by the Air Resources Board. This work is mandated under Health and Safety Code Section 39660 et seq. This document was used by the Air Resources Board as a basis for listing lead as a Toxic Air Contaminant and will initiate risk management strategies for industrial sources of lead in California.

Accomplishment: SRP review drafts (March 1997, May 1997) of the *Proposed Identification of Diesel Exhaust as a Toxic Air Contaminants. Part B: Health Effects Assessment of Diesel Exhaust*

The evaluation of the health effects of toxic air contaminants is conducted by OEHHA upon request by the Air Resources Board. This work is mandated under Health and Safety Code Section 39660 et seq., and has a potential impact on diesel fuels used in California. Diesel is a major fuel used by the trucking industry and many industrial sites in California.

Accomplishment: Public review draft (December, 1996) of the *Air Toxics Hot Spots Risk Assessment Guidelines Part IV: Technical Support Document for Exposure Assessment and Stochastic Analysis.*

The preparation of guidelines for risk assessment under the Air Toxics Hot Spots program was mandated by Health and Safety Code Section 44300 et seq. This part of the guidance provides information on exposure assessment and a probability approach to exposure assessment. The documentation provided in the technical support document allows for improved exposure and risk assessment, and allows for a "likelihood" approach to exposure and risk assessment. These guidelines will improve how risk assessments are performed by all industries in California.

Accomplishment: Final Report *Health Risk Assessment of Malathion Coproducts in Malathion-Bait Used for Agricultural Pest Eradication in Urban Areas (May 1997)*

PETS staff conducted a comprehensive literature review and report on the toxicity of malathion coproducts and metabolites to resolve some scientific issues regarding potential toxicity of these chemicals to which the public might be exposed after aerial spraying of malathion. Malathion is a widely used pesticide in California and across the nation.

Accomplishment: Final Report *Angler Survey: Analysis of Sign Effectiveness and Angler Awareness of San Francisco Bay Fish Consumption Advisory*, Berkeley CA, January 1997

In 1995, OEHHA conducted a survey of 520 anglers interviewed on the Berkeley pier to determine their awareness of fish consumption advisories that OEHHA issued for San Francisco Bay. The OEHHA survey was intended to collect baseline data on angler awareness and to check the effectiveness of signs posted at popular fishing locations as a communication method. The survey was responsive to recommendations by the advisory group that OEHHA formed to plan outreach and education methods.

FY 97-98

Accomplishment: Final Report *Health Effects of Exposure to Environmental Tobacco Smoke*, September 1997.

The development of the assessment involved extensive literature review, document development, public workshops, public comment and scientific peer review followed by document revision. The assessment provides a comprehensive review of the current scientific evidence on health effects associated with exposure to Environmental Tobacco Smoke (ETS). The report was turned over to the Department of Health Services to use in their tobacco control efforts, statewide. This document allows State and local public health organizations and agencies to develop and implement policies and programs aimed at reducing risks from ETS exposure.

Accomplishment: SRP review draft (February 1998) and Final draft (April 1998) of *Proposed Identification of Diesel Exhaust as a Toxic Air Contaminant*.

This work is mandated under Health and Safety Code Section 39660 et seq. This document was used by the Air Resources Board in its deliberations regarding the listing of diesel exhaust as a Toxic Air Contaminant.

Accomplishment: Public review draft (October 1997) of *Air Toxics Hot Spots Program Risk Assessment Guidelines Part III: Technical Support Document for Determining Chronic Noncancer Reference Exposure Levels*.

The preparation of guidelines for risk assessment under the Air Toxics Hot Spots program was mandated by Health and Safety Code Section 44300 et seq. This part of the guidance provides information on the toxicity of 120 of the chemicals listed under the Air Toxics Hot Spots Act.

Accomplishment: SRP review draft (October 1997) and Final Draft (August, 1998) of *Air Toxics Hot Spots Program Risk Assessment Guidelines Part II: Technical Support Document for Describing Available Cancer Potency Factors*.



The preparation of guidelines for risk assessment under the Air Toxics Hot Spots program was mandated by Health and Safety Code Section 44300 et seq. This part of the guidance provides information on the potency of 119 carcinogens listed in the hot spots program.

Accomplishment: *Adopted First 27 Public Health Goals for Contaminants in Drinking Water*

Under Health and Safety Code Section 116365, as amended by the Calderon-Sher Safe Drinking Water Act of 1996, OEHHA develops and adopts Public Health Goals (PHGs) for chemicals in drinking water. OEHHA is required to develop and adopt PHGs for drinking water contaminants for which there already is a primary drinking water standard (maximum contaminant level, or MCL) as well as for any newly regulated contaminants. The PHG evaluations and estimated safe levels provide information to the California Department of Health Services (DHS) as to whether any changes might be appropriate in state MCLs on the basis of the most recent toxicity data and risk assessment methods. The first 27 were adopted December 31, 1998.

Accomplishment: *Issued Guidelines For Assessing Ecological Risks Posed By Chemicals - Developmental Plan (May, 1998)*

Following consideration of recommendations obtained as a result of the Exotoxicological Risk Assessment Public Workshop series conducted in 1995, OEHHA developed a draft plan which describes the conceptual approach for the development of Cal/EPA guidelines for assessing ecological risks posed by chemicals and introduces the specific topics for which guidance will be initially developed. The plan was finalized after receiving considerable input from experts and the general public.

Accomplishment: *Final Report Illness Indicators in Lompoc, California, Sacramento, California, June, 1998.*

Since 1993, DPR and the Santa Barbara County Agricultural Commissioner had been receiving complaints from residents of Lompoc, California, who felt that their health was being compromised by pesticides applied to agricultural fields west and north of the city. At the request of the Department of Pesticide Regulation and in cooperation with Santa Barbara County health officials, activists, and residents, a team of scientific staff from OEHHA, the "Lompoc Project Team," analyzed various health statistics available for the Lompoc area (cancer registry data, birth defects data, birth records, and hospital discharge data) to address the health complaints. The Lompoc Project Team developed a protocol for the analysis of hospital discharge data which underwent scientific and public peer review, and held two public meetings in Lompoc. OEHHA provided written responses to the scientific peer review and the public comments received. The final, released on June 30, 1998, restored public confidence in the State's ability to provide quality environmental and public health investigation.

Accomplishment: Public Review Draft (July 1997) of *Chemicals in Fish Report No. 1: Consumption of Fish and Shellfish in California and the United States*.

The report is an extensive review of fish consumption surveys, and includes a critical evaluation of these studies and provides recommendations for interpretation and application of the results.

Accomplishment: *Delisting Policy for Proposition 65*.

Proposition 65 requires the State to publish and update annually a list of chemicals known to cause cancer or reproductive toxicity. OEHHA has processes in regulation for removing chemicals placed on the list administratively, and has a draft process in place for removing chemicals placed on the list by the State's qualified experts. This December the State's qualified experts for cancer will consider delisting three chemicals.

Accomplishment: *Prioritization*.

Listing a chemical under Proposition 65 has important public health consequences, as well as economic impacts on California businesses. OEHHA has therefore created a process that enables considerable public input early in the listing process, before a chemical reaches the state's qualified experts. The process was developed with the aim of bringing chemicals posing the greatest hazard to the committee first.

Accomplishment: Administrative Listing under Proposition 65.

OEHHA as lead agency for Proposition 65 adds chemicals to the list when a body considered to be authoritative identifies a chemical as a cause of cancer or reproductive toxicity, or when a state or federal agency formally requires a chemical to be labeled as causing these toxicities. OEHHA has extended the process for administrative listing to include an additional public comment period and a public forum to enable OEHHA to receive verbal input. In 1998, for the first time in 10 years the State revisited, with public input, designation of authoritative bodies.

## Quality Improvement Teams

- **Cancer Matrix Team**

Mission: To develop a new hazard identification, dose response, and chemical risk characterization for selected chemicals based on U.S. EPA's 1996, "Proposed Guidelines for Carcinogen Risk Assessment."

Accomplishment: Three chemical risk assessments are currently in various stages of process which will allow testing and evaluation of the new draft guidelines. A draft report for the chemical Amitrole has been completed and will shortly begin its review outside the OEHHA team.

- **Proposition 65 Quality Team**

Mission: To document the administrative listing process under Proposition 65 (Prop 65).

Accomplishment: A prioritization procedure for selecting candidate chemicals for listing under Prop 65 was developed and implemented. The procedure enabled an unbiased selection process for chemicals of concern to Californians, and made the process more open, objective, and predictable to customers.

- **Proposition 65 Coordination Group**

Mission: To ensure the coordination of OEHHA's Prop 65 activities.

Accomplishment: Identification of substances not meeting the definition of Prop 65 prior to release for public comment.

- **Registered Environmental Assessor (REA) Team**

Mission: To improve the REA registration process, and to establish regulations for the Registered Environmental Assessors, Level II.

Accomplishment: Developed and implemented a new REA I application form; developed and implemented customer service surveys; developed the REA Website. Established the Private Site Manager Advisory Committee and held two public workshops and one public hearing for the development of the REA II regulations. REA II regulations are currently under review by the Office of Administrative Law.

- **Public Health Goals (PHG)Team**

Mission: To develop and adopt, by the end of calendar years 1997, 1998, and 1999, a minimum of 25 Public Health Goals (PHGs) per year for chemicals in drinking water under the California Safe Drinking Water Act of 1996.

Accomplishment: 27 PHGs for 25 chemicals were adopted in December, 1997, and 25 technical support documents were finalized.

- **Emerging Environmental Challenges**

Mission: To develop the scientific capability to identify environmental issues that may pose challenges to Cal/EPA boards and departments over the next five to ten years.

Accomplishment: Developed, planned, organized and conducted a workshop from which ideas were collected from participants representing state, local and federal government, consulting and environmental groups, academia, and industry.

- **Stochastic and Exposure Assessment: Internal Workgroup**

Mission: To aid in developing guidelines on exposure assessment and stochastic analysis for the Air Toxics Hot Spots program.

Accomplishment: Produced draft technical support document on Exposure Assessment and Stochastic Analysis for public review.

- **Stochastic and Exposure Assessment External Advisory Group**

Mission: To provide stakeholder input early on in the process of developing guidelines on exposure assessment and stochastic analysis for the Air Toxics Hot Spots program.

Accomplishment: Provided forum for external stakeholder input on a regular basis during development of the guidelines.

- **Lompoc Project Team**

Mission: To investigate the health concerns of Lompoc residents.

Accomplishment: Completed the report "Illness Indicators in Lompoc, California: An Evaluation of Available Data," which concluded that some respiratory illnesses appear to be elevated in Lompoc compared to other areas.

# State Water Resources Control Board

## Regional Water Quality Control Boards

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**Mission** Our mission is to preserve and enhance the quality of California's water resources, and ensure their proper allocation and efficient use for the benefit of present and future generations.

**Vision** We envision a future that includes:

- Protection of California's water resources for the benefit of all.
- Cooperation among diverse interests such that water is available where and when it is needed.
- Effective coordination with federal, other state and local agencies.
- Focused attention on problems that pose the greatest risk to California's water resources by making scientifically, environmentally and economically sound decisions.
- High standards of public service and open decision making processes.
- Opportunities for our employees to contribute to personal and organizational success.
- Vigorous and consistent enforcement of water laws and regulations.
- Innovative approaches to water resource protection.
- A recognition of the Boards' contribution to the quality of life for Californians.

### Overview

#### **State Water Resources Control Board:**

The State Board has five full-time appointed Board members and is generally responsible for overall policy-setting and consideration of petitions contesting Regional Board actions. The State Board is also responsible for allocation of surface water rights. The State Board is organized into four divisions.

- The Division of Clean Water Programs is responsible for the implementation of the State Board's financial assistance programs for the construction of municipal sewage facilities, water recycling facilities, and the remediation of effects of releases from underground storage tanks. The Division also provides program implementation assistance in the regulation of waster discharges to land, including: underground storage tanks, toxic pits, landfills and unauthorized waster discharges which may affect the State's ground waters. In addition, the Division certifies wastewater treatment plant operators and licenses tank testers.

- The Division of Water Quality is responsible for providing the statewide perspective on a wide range of water quality planning and regulatory function such as: monitoring for compliance with permit requirements, inspections of treatment facilities and pretreatment of industrial waste water discharged to municipal systems. Other major functions of the Division include developing criteria and water quality standards for inland surface waters, bays and estuaries, and the ocean.
- The Division of Water Rights process water right permit applications, assists in protest resolution, holds hearings as necessary and issues permits. Once a project is completed and full beneficial use of the water has been made, the Division issues a license as final confirmation of the water right. The Division also processes changes to water right projects including transfers, investigates complaints and takes enforcement action against illegal diverters.
- The Division of Administrative Services provides a wide range of support services to employees of both the State and Regional Boards including: accounting, contracting, personnel, data management, and business services.
- In addition, the State Board has a number of offices: The Executive Office, the Office of Chief Counsel, Office of Legislative and Public Affairs, and the Office of Statewide Consistency.

### **Regional Water Quality Control Boards:**

The nine Regional Boards are each semi-autonomous and comprised of nine part-time Board members appointed by the governor. Regional boundaries are based on watersheds. Each Regional Board makes water quality decisions for its region. These decisions include setting standard, issuing waste discharge requirements and taking enforcement actions. Most Regional decisions can be appealed to the State Board.

**Staffing** There are over 550 employees work at the State Board. Together, the Regional Boards have over 650 employees. Typical job classifications for staff at the Boards include environmental specialists, water resource control engineers, engineering geologists, and administrative and support functions.

**Locations** The State Board offices are located in Sacramento. The Regional Board offices are located in the following regional locations:

North Coast	Los Angeles	Colorado River Basin
Central Valley	Santa Ana	San Francisco Bay
Central Coast	Lahontan	San Diego

## State Water Resources Control Board Regional Water Quality Control Boards

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### Customer Focus

- **Customer Involvement and Input:** In 1993, at the request of Governor Wilson, an External Program Review was conducted. The year-long study involved water experts, environmental representatives, the regulated community, and members of the public. Many of the findings and recommendations were considered and integrated in the State and Regional Water Boards' subsequent strategic planning efforts.

The State and Regional Water Boards have formally incorporated a Watershed Management Initiative and customer outreach as part of the Strategic Plan. Ongoing dialogue with stakeholders is encouraged. For example, stakeholders participated at public meetings and workshops as part of the Watershed Management approach to identify cost-effective management alternatives.

External stakeholders were involved in key activities including Bay Protection and Toxic Cleanup Program review, Underground Storage Tanks Program review (SB164 Advisory Committee), Inland Surface Waters Plan program development, Nonpoint Source Technical Advisory Committee development and the ongoing efforts to resolve Bay Delta issues.

- **Communication through Technology:** The Internet has opened tremendous opportunities for the State and Regional Water Boards to connect with customers. Regardless of their distance to a State or Regional Water Board office, customers can access information about workshops and meetings, Board resolutions, orders and decisions, forms, as well as policies and available programs. The State Water Board's home page links customers to the Regional Water Board sites, other Cal/EPA boards and departments and related government agencies.

A contact list is available by subject matter to assist customers in securing the person who can best answer their questions and provide assistance. Additionally, customers can pose questions and request information from the Webmaster through e-mail.

- **Ombudsman Services:** Ombudsman services are available at the State Water Board and each Regional Water Board office. The Ombudsman program was instituted to provide an alternative means of addressing

complaints, resolving disputes, and facilitating communication between customers and State and Regional Water Board staff.

The State Water Board has co-sponsored several Ombudsman forums statewide bringing topical issues and program information directly to the customer. Feedback provided by the attendees has been used to tailor the content and format to their needs. Comments regarding the forums and the Ombudsman program are relayed to the organizations for future consideration and improvement projects.

- **Customer Service Surveys:** Customer Service Surveys are made accessible to customers who visit any of the State and Regional Water Board offices or correspond by mail. As of July 1, 1998, the State Water Board's Internet home page invites customers to provide their survey feedback electronically. Customers can also provide feedback on services received from the Regional Water Boards via the Internet.

To gauge the level of customer satisfaction, the percent of positive feedback from the surveys is tracked as a Strategic Plan performance measure. For Fiscal Year (FY) 97-98, an organizational target was set for 96% positive feedback rate. The actual rate of positive feedback for FY 97-98 was recorded at 97%.

- **Customer Service Training:** Customer service training is included as a basic course requirement for all State and Regional Water Board staff. At the conclusion of the fiscal year, 760 employees (69% of all State and Regional Water Board staff) had successfully completed the training. To reinforce the expectation that customer service skills are an integral part of any position at the State and Regional Water Board, duty statements are undergoing revision to reference the specific behaviors and duties required of staff when interacting with customers.

## Strategic Plan

As a result of direct input and feedback received from external stakeholders, State and Regional Water Board members and staff, the Boards reevaluated programmatic and organizational approaches and developed a framework for fulfilling their mission through achievement of strategic goals and objectives.

Throughout the planned strategies, there is a conscious commitment to focus on meeting customer needs and involve them in improvement discussions, continuously streamline and improve processes, and monitor results through performance measures. Some examples of strategies which reflect this commitment include:



- Continuously improve compliance assistance through improved guidance, public education, outreach and training.
- Increase the availability of information through electronic media such as electronic mail and the Internet.
- Expand employee organizational skills to provide consistent, high quality, responsive customer service in our regulatory activities.
- Prioritize and examine work processes for quality improvement opportunities.
- Regularly assess employee perceptions as to improvement in internal efficiency and effectiveness.

The State Water Board's Executive Director monitors strategic plan tasks at monthly project tracking meetings and at briefings held three times a year with senior managers. Progress on the measures is also reviewed at these briefings.

## Process Management

The External Program Review (EPR), completed in 1994, focused on water quality issues; subsequently, the State Water Board conducted an external review process of its Water Rights function. The results of both of these efforts were reviewed as the State and Regional Water Boards began implementing the Quality Improvement Partnership. Two pilot quality improvement teams were identified. The Underground Storage Tank Clean-up Fund Payment team was chartered to reduce the in-house payment review cycle time. The Water Rights Application Processing Team identified ways to streamline the processing of water right applications and petitions.

Once the 1995 Strategic Plan goals and strategies were in place, additional processes were selected for improvement. In the 1997 Strategic Plan Update, the State and Regional Water Boards committed to examining and prioritizing regulatory and internal work processes for improvement opportunities on an annual basis. The 1997 Strategic Plan Update included the addition of performance measures. These measures target continuous improvements to be monitored over the next five years.

## Human Resource Focus

**Employee Survey:** In preparation for the 1995 Strategic Plan, a survey was distributed to all the State and Regional Water Boards' members and employees. The survey was developed using findings from employee focus groups and designed to give all participants an opportunity to validate the findings, rank potential strategic goals in order of priority and identify specific opportunities for future improvements. Nearly 700 survey responses were received.

Survey results showed that among employee concerns were communication and training issues. As a result, a centralized training function was established to offer greater staff development support, especially in technical areas and customer service skills. Enhanced competencies in these skill areas have increased both professional and organizational effectiveness and have better served the customer. Also, staff now have greater accessibility to state-of-the-art technology including electronic mail, Internet and Intranet. They are better equipped to keep abreast of issues and trends, expand their networking ability, and communicate rapidly with internal and external customers.

To assess the impact of improvements made in these areas, the 1997 Strategic Plan Update initiated an annual employee survey; results are captured as an outcome performance measure. The most recent survey was conducted in March 1998 and yielded a 41% response rate. Survey questions focused on communication, employee recognition and training. The overall mean score of 3.1 on a scale of 1.0 (Strongly Agree) to 6.0 (Strongly Disagree) was reported as the baseline measure.

**Other Feedback Methods:** A two-way managerial/supervisory assessment was created as an opportunity for staff to give direct feedback to their leaders on an annual basis. The assessment tool focuses on identifying ways the manager/supervisor can offer assistance, support and resources to the employee so that he/she can successfully accomplish the work assigned.

On a quarterly basis, State Water Board Member/Employee Forums are held to acquaint staff with the Board members in a more informal setting, and for staff to be able to ask questions directly as well as share their opinions and perspectives. In a similar model, the Executive Director and the Deputy Director have made themselves more available to staff by sponsoring on-site annual visits to all the State Water Board Divisions and Offices.

**Quality Improvement Teams:** As part of the day to day work, all employees are responsible for seeking methods to improve work within their sphere of influence. As improvement projects are identified at the organizational level, employees are assigned to participate on quality improvement teams, many of which are cross-functional.

While the concept of work groups or teams is not new to the State and Regional Water Boards, the quality improvement team model (adopted as part of the Quality Improvement Partnership) expands the roles and skills needed by those working on these projects. Team training prepares the project team members for these new roles, and during the project, the team has ample opportunity to apply the team building skills, meeting management skills, and process improvement tools.

A senior level manager is assigned as the team “Sponsor”. The team leader role has been expanded to consciously balance attention to the technical aspects of the project with good meeting management techniques and monitoring of group dynamics.

Working side by side with an assigned team facilitator, team leaders and team members have been able to transfer the observed facilitation skills and meeting management tools to other “team” related projects, thus institutionalizing these practices into the daily work. With the demonstrated benefits of meeting management tools and facilitation techniques, requests have increased for meeting facilitators. Selected State and Regional Water Board staff have completed a series of courses to increase their skills in this area. Sixty-seven percent of the State and Regional Water Boards’ managers and supervisors have completed meeting management training.

## **Leadership**

In January 1995, the State and Regional Water Boards launched the Quality Improvement Partnership by having all senior managers participate in a Quality Leadership Workshop. During this workshop (and others that followed during the course of that year), senior managers were acquainted with key quality management concepts and their role in leading and supporting the quality initiative.

State and Regional Water Board leaders have continued their commitment to expanding their knowledge of these management practices through their participation in the Cal/EPA Leadership Forum series, attendance at forums sponsored by the Council for Continuous Improvement and the Department of Personnel Administration, and contracting for in-house leadership training. Leadership training is included as a course requirement for managers and supervisors.

Some leaders have actively applied these concepts by serving as team sponsor, team leader, or team member.

Leadership has been directly involved in developing the 1995 and 1997 Strategic Plans. The planning process was guided by a Steering Committee composed of Regional Board Executive Officers and State Water Board management. Both strategic plans reiterated top leadership’s commitment to securing stakeholder input and involvement, placing a focus on customer service, improving processes, and measuring performance results. Key strategic results are shared with State and Regional Water Board members and the public at Water Quality Coordinating Committee meetings.

## Information and Analysis/Measurable Results

Protecting water resources has become more complex and the State and Regional Water Boards' strategic direction is designed to respond to this challenge. Each goal is equally critical to the organizations' success. To clarify how the goals will be met, established objectives and performance measures have been set in place. Examples of measurable results include:

- **Underground Storage Tank Cleanup Fund (USTCF)**

For FY 97-98, an objective was established to commit 100% of annual USTCF available funds. End of year reports show that the fund met its objective of allocating all funds available (100%). With funds committed, tank owners are assured that they will be paid for expenses on their current cleanup efforts and work can continue.

Another measure tracked during the same time period was USTCF funds committed/staffing required. The objective was set at committing \$1.8M per staff; actual funds committed were \$2.6M per staff (44% increase). Ongoing streamlining of the process ensures lower administrative costs thereby making more funds available to tank owners for cleanup efforts.

- **Processing Grant Applications/Awards**

In preparation for this improvement project, the work unit documented the process and established baseline information showing that 25% of applications were processed within 30 days. An FY 97/98 objective was set to process 75% of grant applications within 30 days; actuals achieved were 91%.

A second objective was to process 75% of awards within 21 days; actuals achieved were 53%. While the objective was not met, there was marked improvement from the baseline of 22% (41% increase).

Greater efficiencies in these processes allow the entities who receive the funds to get projects such as watershed restoration underway.

- **Processing Internal Travel Expense Claims**

The Travel Unit at the State Water Board set an objective to process 95% of claims within 10 working days. End of year reports reflect that the percent of travel expense claims processed was 97%. In the course of conducting the Boards' business, employees have incurred upfront travel expenses. Quick reimbursement of these expenses extends a high level of customer service to the Boards' internal customers.

The State Board is currently making improvements to the development and tracking of organizational performance measures, a necessary and common practice for those organizations in their initial stages of measures development. State Board organizations are currently reviewing and refining the measures to ensure that progress in meeting the goals is maintained.

## **Quality Improvement Teams**

- **Underground Storage Tank Cleanup Fund Payment Team**

Mission: The team was chartered to study and recommend improvements to reduce the in-house claims payment review cycle time.

Accomplishments: As a result of the team findings, a new approach was adopted by the Division of Clean Water Programs in processing requests for payments. At the beginning of the project in July 1995, monthly reports showed an average payment request turnaround time of 60 days. In December 1995, based on the team's initial six-month project, the average payment cycle was reduced to 48 days. With further monitoring of the process and improvements made, the average processing time for a payment has been currently reduced to 36 days.

- **Water Rights Application Processing Team**

Mission: The team studied and documented the existing application process and recommended priority areas for improvement to reduce processing time and better integrate the CEQA and the application process.

Accomplishments: As a result of the teams efforts, the Applications Section has been restructured and changes have been implemented to streamline the processing of protests. Work is in progress on integrating the application and environmental review process.

- **Fiscal Systems Review Team**

Mission: This cross-functional team was established to identify all changes necessary to make the SWRCB's fiscal systems useful, user-friendly, and timely.

Accomplishments: The Fiscal System Review Team completed its work and developed a final report in May 1997. The report identified many changes, but the one recommendation which stood out as the most important was the development of an automated time sheet system. Since it was viewed as a critically important project to help improve the fiscal systems, it was made a priority in the State Water Board's Information Management Strategy.

Unfortunately, due to funding constraints it is not feasible to pursue the project at this time.

However, many other recommendations were made that are being implemented. In FY 98-99, there are plans to initiate work on an automated budget change process, develop statewide budget training, better document existing processes and focus on techniques to enhance staff retention. These actions, when implemented, should substantively improve fiscal processes.

- **Bill Analysis Review Team**

Mission: The team was formed to study and make recommendations to improve the quality and timeliness of legislative bill analysis.

Accomplishments: As a result of the team's recommendations, the Office of Legislative and Public Affairs conducted training to create stronger partnerships between the legislative office staff and internal customers and suppliers. The training covered the roles and responsibilities of the respective partners, critical elements needed for a quality bill analysis, and the need to meet the established dead lines for the customer. Recommendations for form revisions and establishment of an Intranet site to track bills has also contributed to achieving the team's mission.

- **Grants Processing Team**

Mission: The team was charged with the task of finding ways to improve the efficiency and timeliness of the State Water Board's internal federal grant application and award process.

Accomplishments: A series of the team's recommendations have been implemented including revising forms, (simplifying and standardizing) and establishing an internal tracking mechanism. The team's objective for FY 97/98 was to process 75% of applications within 30 days and 75% of awards within 21 days. Actuals achieved were 91% and 53%, respectively.

- **Waste Discharger System (WDS) Data Entry Procedures Team**

Mission: The Standard WDS Procedures Team was formed to inventory and critically evaluate the relationship of WDS to all of the steps in the regulatory process and recommend standard consistent procedures, criteria, forms, and training aids for the benefit of Regional Water Boards' technical staff in providing data for updating WDS.

Accomplishments: The team's recommendations included establishing time lines for data entry, creating written procedures and flow charts of the

process, assigning a senior level staff person to implement the recommendations and providing training to staff. With these changes in place, data reliability has increased and is reported on a more timely basis.

- **Water Quality Permit Standards Team**

Mission: The Water Quality Permit Standards Team will review existing NPDES permit requirements and WDRs, and develop recommendations for standard consistent permit requirements to be implemented by the SWRCB and all RWQCBs to support electronic submittal of discharger self-monitoring reports.

Accomplishments: The team project is in progress and is expected to be completed by December 1998.